

needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

779. Also, petitions signed by citizens of Two Rivers, Wis., requesting the passage of a Civil War pension bill for the relief of needy and suffering veterans and widows of veterans; to the Committee on Invalid Pensions.

780. By Mr. LETTS: Petition of the members of N. B. Baker Post, No. 88, Clinton, Iowa, praying for the passage of legislation granting increased pensions to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

781. Also, petition of the members of the Women's Relief Corps, No. 10, Clinton, Iowa, praying for the passage of legislation granting increased pensions to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

782. Also, petition of sundry citizens of Muscatine, Iowa, praying for the passage of legislation granting increased pensions to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

783. By Mr. MCKEOWN: Petition of William S. Peters and other citizens of Boley, Okla., urging immediate action on Civil War pension bill; to the Committee on Invalid Pensions.

784. Also, petition of Ira F. Baird and other citizens of Wellston, Okla., requesting immediate action on Civil War pension bill; to the Committee on Invalid Pensions.

785. Also, memorial of John McKeel, asking immediate attention be given House bill 3722; to the Committee on the Judiciary.

786. By Mr. SHORT of Missouri: Petition of citizens of Scott County, Mo., favoring increase of pension to soldiers and sailors of the Civil War and widows of soldiers and sailors; to the Committee on Invalid Pensions.

787. Also, petition of certain citizens of Essex, Mo., favoring increase of pension to soldiers and sailors of the Civil War and widows of soldiers and sailors; to the Committee on Invalid Pensions.

788. By Mr. SINCLAIR: Petition of J. V. Maher, K. H. Burrell, and numerous other residents of Beach, N. Dak., and vicinity, urging the enactment of legislation for increasing pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

789. By Mr. MICHENER: Petition of sundry citizens of Tecumseh, Dundee, Adrian, and Concord, Mich., asking for the passage of a bill increasing pensions to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

790. By Mr. SMITH of West Virginia: Petition of citizens of Kanawha County, W. Va., urging the passage of the Civil War pension bill carrying rates as proposed by the National Tribune; to the Committee on Invalid Pensions.

791. Also, petition of voters of Kanawha County, W. Va., urging the passage of the Civil War pension bill carrying rates as proposed by the National Tribune; to the Committee on Invalid Pensions.

792. Also, petition of citizens of Fayette County, W. Va., urging passage of the Civil War pension bill carrying rates proposed by the National Tribune; to the Committee on Invalid Pensions.

793. By Mr. SUMMERS of Washington: Petition signed by William Long and 44 other citizens of the State of Washington, favoring increase of pension to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

794. By Mr. SWING: Petition of citizens of San Diego and Orange Counties, Calif., in favor of increased pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

795. By Mr. THOMPSON: Petition of citizens of Van Wert, Ohio, urging immediate action on bills to increase pensions to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

796. By Mr. WOODRUFF: Petition from citizens of Mecosta County, Mich., advocating pension increases for veterans of the Civil War and their dependents; to the Committee on Invalid Pensions.

SENATE

TUESDAY, November 5, 1929

(Legislative day of Wednesday, October 30, 1929)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Blease	Broussard	Conzens
Ashurst	Borah	Capper	Cutting
Barkley	Bratton	Caraway	Dale
Black	Brock	Connally	Dill
Blaine	Brookhart	Copeland	Edge

Fess
Fletcher
Frazier
George
Gillett
Glenn
Goff
Goldsborough
Gould
Greene
Hale
Harris
Harrison
Hastings
Hatfield

Hayden
Hebert
Heflin
Howell
Johnson
Jones
Kendrick
Keyes
La Follette
McKellar
McNary
Metcalf
Moses
Norbeck
Norris

Nye
Oddie
Overman
Patterson
Philpps
Pine
Pittman
Ransdell
Reed
Schall
Sheppard
Shortridge
Simmons
Smith
Smoot

Steck
Steiwer
Stephens
Thomas, Idaho
Thomas, Okla.
Townsend
Trammell
Tydings
Vandenberg
Walcott
Walsh, Mass.
Walsh, Mont.
Wheeler

Mr. NORBECK. I wish to announce that my colleague [Mr. McMASTER] is unavoidably detained from the Senate on account of illness in his family. I would like to have this announcement stand for the day.

Mr. EDGE. My colleague the junior Senator from New Jersey [Mr. KEAN] is detained in New Jersey, there being an election in our State to-day.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is absent, ill. I ask that this announcement may stand for the day.

Mr. SHEPPARD. I desire to announce that the Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

PETITIONS AND MEMORIALS

Mr. VANDENBERG presented a resolution adopted by the Michigan State Grange, protesting against the imposition of any tariff duties on lumber, shingles, logs, brick, and cement, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Detroit, Mich., praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. CAPPER presented petitions of sundry citizens of Wichita, Topeka, Thayer, Parsons, Chanute, Grenola, Earleton, and Ottawa, all in the State of Kansas, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. REED presented petitions of sundry citizens of Philadelphia and vicinity, in the State of Pennsylvania, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

REPORTS OF NOMINATIONS

Mr. STEIWER, as in open executive session, from the Committee on the Judiciary, reported the nomination of Benjamin H. Littleton, of Tennessee, to be judge of the Court of Claims, vice McKenzie Moss, deceased, which was ordered to be placed on the Executive Calendar.

Mr. SMOOT, as in open executive session, from the Committee on Finance, reported the nomination of Walter E. Hope, of New York, N. Y., to be Assistant Secretary of the Treasury, in place of Henry Herrick Bond, resigned, which was ordered to be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COPELAND:

A bill (S. 2007) granting a pension to Emma J. Learock; to the Committee on Pensions.

A bill (S. 2008) for the relief of National Ben Franklin Fire Insurance Co.; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 2009) granting an increase of pension to Neal Whaley (with accompanying papers); to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 2010) for the relief of Clatsop County, Oreg.; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 2011) for the relief of Ada W. Allen; to the Committee on Claims.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the committee, on page 38, line 11, to strike out "\$2.50" and insert "\$1.50," so as to read:

China clay or kaolin, \$1.50 per ton.

The Senator from Florida [Mr. FLETCHER] has the floor.

Mr. FLETCHER. Mr. President, when we recessed yesterday I had pointed out that the opposition to the proposed increase of duty on china clay comes from two sources. First are the importers. Of course, naturally, the importers are desirous of increasing the importations, and to do that they would like to keep the duty down; in fact, they would like to have the clay on the free list. Second are the manufacturers of paper who would like to have the raw material come to them as cheaply as possible. That is quite natural. If anyone can point out a manufacturer in the country who is in favor of a duty on raw material, I would like to have him do so. Such a manufacturer would be certainly a rara avis.

Mr. EDGE. Mr. President, will the Senator yield at that point? He has asked a question.

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from New Jersey?

Mr. FLETCHER. I did not ask a question, but I yield to the Senator.

Mr. EDGE. Was it not also pointed out yesterday that the American paper manufacturers in many instances are unquestionably paying more for the imported English clay than they can get the southern clay laid down for at their doors? We must give the manufacturers credit, following out the line of the Senator's own logic, that they would not pay more unless they had to use that particular clay. They are trying to save money, and yet the facts show conclusively that they pay more for the English clay. Why is it?

Mr. FLETCHER. In the first place, the American manufacturer has the habit of buying the English clay. In the next place, there are certain influences at work on the manufacturer which induce him to continue to purchase through this combination. The English clays are controlled and manipulated. They are controlled by a trust practically. The producers have access to certain of our manufacturers. There are certain inducements offered manufacturers to buy the English clay.

I grant the Senator that it may be that in certain instances, in making certain kinds of paper, there are some virtues attaching to the English clay that we have not quite reached in this country. That may be true, but that involves a limited quantity only. On the other hand, there are American clays which are superior to any clays produced in the world, but there is a limited demand for that particular kind of clay, which can not be gotten anywhere else. I believe the industry with respect to that particular kind of clay will live and go on because that kind of clay can not be found anywhere else. That particular clay is needed and it can be found only in the United States. There will be a demand for it, of course, but it is a limited demand.

These are exceptions to the general proposition that the American clays can supply the demand in this country and that at present the importations amount to just about one-half of our consumption and the production in this country amounts to about one-half of our consumption.

For years past the English clays have had the advantage over the American clays on the North Atlantic seaboard, the New England States, and wherever they have had water transportation. That is a condition of things which can not be avoided and can not be helped. The English clays are brought into the United States and take our market along the eastern seaboard because of the low freight rates on those clays. They are frequently brought in in ballast at a very low freight rate, at a lower freight rate than can be obtained from the plants in Georgia, Florida, North Carolina, and Tennessee to the eastern-seaboard markets. The result is, as I pointed out yesterday, that the English clays have taken away from the American producers the entire northeastern Atlantic market, New Jersey, Massachusetts, and the other New England States, where there are important manufacturing plants established, have been taking the English clays, as they have come to them with this cheap freight rate, and they can be produced in England cheaper than we can produce them in the United States.

In the first place, the overburden with respect to the English clays is about the same as with respect to our clays in Florida and in Georgia. The expense of removing this overburden is somewhat greater in the United States, because we pay higher wages; but, generally speaking, in the United States the depth of the clay extends only about 18 feet, or something like that, while in England when they strike the clay it extends to a

depth of some 200 feet, so they have the advantage in that respect relative to the veins where the clay appears in the ground. The expense and cost, therefore, of producing the clays in the United States are greater than the expense and cost of producing them in England.

In addition to that, as I have said, the English clays have taken away the northeast Atlantic market entirely from the American producer by reason of less cost in the first place and by reason of the low freight rates.

What we are asking—and we are entitled to have it, beyond question—is a duty which will enable the American producer to have a fair chance for one-half the American market. That market lies in Ohio, Indiana, Illinois, and Michigan. There the points of consumption are established; and we must reach that market now with the American clays, because we are being shut out of the market in the Northeast Atlantic States and we shall continually be shut out of that market, no matter what rate of duty we impose, unless we put it high enough to exclude the foreign clay. A duty of \$3.75 a ton is not high enough to accomplish more than to enable us to hold our own in the only market left to us—the market of the Middle Western States. We want a chance to maintain our position in that market. It is only one-half of the market of the United States. The question is, Will the Senate see its way clear to enable this industry—an American industry—in which some \$375,000,000 have been invested, to hold one-half the American market?

The Senate has been debating here days and days about giving the American producer the American market, giving him at least a competitive basis for claiming the American market. Is the Senate willing to give this industry one-half the American market? Is it willing to give us a fighting chance for one-half the American market? That is the whole question. If it is, it will vote for a duty of \$3.75 a ton on this clay.

Foreign clay, as I have already stated, has taken away one-half our market along the North Atlantic, and the producers of foreign clay have gone after the market of the Middle West, the only remaining region where the American clay has a chance.

How have the foreign producers gone after that market? By getting the railroads to reduce their freight rates from the seaboard to the Middle West consuming points. They have actually done that; there is no guesswork about it; and they may make another move in that direction. It is immaterial whether the railroads voluntarily applied to the Interstate Commerce Commission to be allowed to reduce the rates on clays from the North Atlantic ports to the Middle West consuming points or whether they were persuaded and induced to do it by the foreign clay importers; the fact is they did apply to the Interstate Commerce Commission to be permitted to reduce those rates. The Interstate Commerce Commission granted that petition, and those reductions have been made. So clays can be moved from the Atlantic seaboard to the Middle West consuming points, the only points left to the American producer for his market, at a cheaper rate than they formerly were. If we are able to maintain our position with reference to that one-half of the American market, there may be another application for a reduction of freight rates; other moves will be made by the importers of the English clays to get that market away from us. The only hope of the producers of American clays lies in the imposition of such duties as will give the American producer a fighting chance for one-half of the American market. That is what we are asking for.

In these regions where the clay is found there are now idle plants capable of producing 250,000 tons of clay a year. They are idle to-day because under the rate of \$2.50, as provided by the existing law, they are not allowed to expand; they are not encouraged to expand, and the profits in the industry are not such as to warrant a greater production. They are held down even by the rate of \$2.50 a ton. In spite of that, however, the committee proposes to reduce the rate to \$1.50 a ton. I can not conceive of what prompts that action on any basis upon which this bill is being constructed.

Mr. Edgar, in his statement at the hearings on this matter, said:

Since 1892 my father, uncle, and later the present generation have devoted their entire efforts to producing in Georgia and Florida a grade of clay that will not have to be apologized for under any comparison. * * *

In addition I am speaking for other domestic clay producers who have also been working toward the ideal of producing an adequate supply of American clays of a quality to meet the most exacting requirements. Because of the combined efforts along these lines of these producers I am proud to be able to state that we are to-day equipped as an industry to more than meet the demands as to quantity and are convincing consumers one after another as to quality. In the brief that we have filed we are asking that the present tariff of \$2.50 per ton

of 2,240 pounds applying on imported china clay be increased to \$3.75 per ton of 2,240 pounds.

That is the request, and the hearings established complete justification for it.

The only opponents to the situation, as I say, are the importers of English clays and the paper manufacturers. This is a raw material. The manufacturers, of course, want to get it as cheaply as possible.

Mr. Edgar further says:

It is interesting to note that in spite of the protection granted after the last hearing the average price of the domestic clays under question has been reduced.

In other words, after the duty was fixed at \$2.50 per ton the average price to the American trade was reduced; there was no increase at all; so the manufacturers are not justified in anticipating any great increase in the price of these clays. They will be confronted with foreign competition. Even under a tariff rate of \$3.75 per ton that competition will continue, and it will continue in the only market that is left to us, which is the Mid West market.

Mr. Edgar was asked:

Are you a manufacturer of this clay?

He replied:

We produce the clay; yes, sir. It is not in manufactured form.

Mr. WATSON. How many tons a year do you produce?

Mr. EDGAR. I have been speaking more particularly about the Georgia paper clay. The Georgia paper clay has run about 70,000 tons this past year.

Mr. WATSON. What is the total of domestic clay used in the United States?

Mr. EDGAR. About 450,000 tons is the last figure I have seen, including pottery and paper clays.

Mr. WATSON. As I understand it, there is an increased demand for domestic clay because it is growing better and better every year.

Mr. EDGAR. Yes, sir. As an illustration, we have sold in the past year—I refer to our company—over 16,000 tons of this clay for coating purposes, for the very best grades of paper, for which, according to the statements you have heard a little while before, it could not be used.

Claims have been made that they must have the English clay, but they are finding out that that is an unjustified and unwarranted claim.

Mr. Edgar says further:

For the year 1928 we have sold nearer to 25,000 tons—

That is, of clays for coating purposes—

What I am trying to do is not to include the fire clays—

He does not speak of fire clay—

In the territory about which we are speaking, where the high-grade white clays are produced, there are easily about 2,500 employees directly employed; and, of course, there are those depending upon them, which brings the number of people interested up to probably 10,000.

China clay or kaolin is a raw material. It is chiefly used by the paper industry for filling and coating and in the manufacture of pottery, tile, electric porcelain, sanitary earthenware, and to a minor extent in filling linoleum, rubber textiles, and some other products.

And they are asking for this duty—

To enable the American producer to compete in the entire market in the United States, and by so broadening his market increase his production and lower the cost thereof—

And so forth.

Mr. President, I do not care to take up the time of the Senate in the further discussion of this question. The figures which I put into the RECORD yesterday, as I recall, showed the reduction of freight rates from the Atlantic seaboard to the Mid West points and the amount of that reduction. I also put in the RECORD, as I recall, figures showing the selling price of American clays and a comparison of delivery costs of the imported and the domestic clays. The Senator from Georgia also placed in the RECORD a number of tables which cover the main points and give all the facts that the Senate needs in this connection.

The brief to which I have referred further says:

The statement of mills using English clay at once reveals the vital fact that out of a total of 91,800 tons, 74,700 tons were consumed by mills located in New England or contiguous territory, and only 17,100 tons by mills outside of such territory. This further points to the very obvious fact that adding together all of the filling clays, i. e., 225,000 and 91,800 tons, the total consumption is 316,000 tons, and out of this

grand total only 17,100 tons, or 5.4 per cent, is English filling clay used outside of New England territory. These figures demonstrate far more strikingly than any testimony we could submit that the question as to the desirability of American clays as compared with English clays for paper-filling purposes is not one of quality but of geographical location.

You can not escape that. The mills throughout this region in the Mid West are taking the American clays and find them entirely satisfactory, and they are taking them because the American clays can reach that market. The mills in the New England States are not taking the American clays; they are taking the English clays because the English clays come there at such a low cost of transportation. I repeat to the Senate that the foreign clays have taken away half of the American market already, and will keep that market along the North Atlantic and the New England States; and the only market left to the American producer is the Mid West market which I have mentioned, and which we will not be able to hold or compete in with the British clays unless this duty is imposed.

I therefore move, on page 38, line 11, that "\$1.50," as proposed by the committee, be stricken out, and "\$3.75" be inserted, so that the tariff will be \$3.75 per ton of 2,000 pounds, instead of that proposed by the committee of \$1.50.

The PRESIDENT pro tempore. The question is on agreeing to the amendment which the Senator from Florida proposes to the amendment of the committee.

Mr. HALE. Mr. President, a good deal has been said about the New England market, and that the Southern producers can not get into the New England market. I think that Senators advancing this argument do not bring out the fact that at the present time, in the market outside of New England, including Ohio, Indiana, Michigan, Illinois, Wisconsin, Minnesota, and other States, they already have a very great advantage over the foreign importations.

As far as New England is concerned, on account of the cheap water transportation that we get from England, the foreign importer can meet the domestic producer almost on an equality. Where we have to use the foreign imports, we naturally do not want to have the price advanced; but the real trouble comes in the Middle West. Already in Hamilton, Ohio, for instance, the domestic price advantage on coating clay is \$9.62, and on filler clay \$7.78. In South Bend, Ind., it is \$8.90 on coating clay, and on filler clay it is \$7.06. In Niles, Mich., it is \$8.90 on coating clay, and on filler clay \$7.06.

The people who have paper mills in these States all have to have the foreign clay for coating purposes. About \$72,000 worth of coating clay is imported into this country every year. I think the domestic coating production is between seven and eight thousand dollars' worth.

Mr. PITTMAN. Mr. President—

Mr. HALE. Will the Senator allow me to proceed for a moment?

The paper concerns that use this foreign clay met last summer at a conference, I think in New York City, and practically all of them were represented at the conference. They stated at that conference that it was absolutely necessary for them to use the foreign clay; that the American clay did not come up to their requirements, and could not come up to their requirements, and if they were going to keep on making paper of the quality which they now produce they had to have foreign clay.

These people who are not situated in New England or along the seaboard, where cheap water transportation rates prevail, must pay, the farther inland they are, the greater price on account of the rail transportation. By putting on an added duty you are simply forcing them to pay an additional price for what they have to have; and the result will be, if you make it too high, that you will injure their business. So it is not alone the New England paper mills that are affected, but the western ones as well.

Mr. PITTMAN. Mr. President, may I ask the Senator a question for information? In the first place, I should like to know what is the proportionate cost of the clay used in the paper, the finished product?

Mr. HALE. I can not tell the Senator. All I can tell him is that the clay that is used in making paper is the second most important ingredient used. Pulp, of course, is the principal one. I can not give the proportions.

Mr. PITTMAN. Perhaps some one here knows something about the cost of the finished product, the paper.

Mr. COUZENS. Mr. President, if the Senator will look in the CONGRESSIONAL RECORD of yesterday, he will see that the Senator from Georgia [Mr. GEORGE] figured out, and I think accurately, what this costs per ton of paper. The difference in cost is not large. The question is whether or not a protective

tariff is necessary. The debate yesterday indicated that these paper manufacturers are using all of the domestic clay that they can use. The foreign clay which they import is necessary for particular work; and, no matter what the rate is, it will only increase the cost, and will result in no protection or interest or benefit to the domestic producer.

Mr. PITTMAN. Will it not increase the price of the domestic producers' product?

Mr. COUZENS. No; because they are using now all that they can use.

Mr. PITTMAN. I understand; but they might use all that they can use at one price, and yet they might use the same amount at a higher price. Is that true?

Mr. COUZENS. The testimony yesterday and the debate yesterday showed this: For instance, the Senator from Georgia pointed out how many paper companies in Michigan, Massachusetts, Illinois, and all over the country were using domestic clay. He did that to support his contention that domestic clay was as satisfactory for all purposes as the English imported clay. I pointed out that they were using all the domestic clay that they could use; that in the case of Kalamazoo, Mich., for instance, they were paying \$6.60 a ton more for English clay than they pay for domestic clay. Now, certainly they would not do that if they could help it; and no matter where we put this tariff they still will have to have the imported clay, so that no benefit will accrue to the domestic producer.

Mr. PITTMAN. What I am getting at is this: Would the tariff permit the producers of domestic clay to obtain a higher price for that clay?

Mr. COUZENS. It is my contention that it would not, because the domestic clay now at every place sells under the imported clay.

Mr. PITTMAN. When I asked that question I understood the Senator from Utah to nod his head and say that it would. Am I mistaken?

Mr. SMOOT. Mr. President, I had no reference whatever to the question asked by the Senator. I was nodding my head to the Senator on my right.

Mr. PITTMAN. I will ask the Senator from Michigan, if the effect of this tariff were to increase the price of domestic clay, would it be beneficial or not?

Mr. COUZENS. It would be beneficial to the producers of domestic clay, of course.

Mr. PITTMAN. Is the Senator opposed to that, or not?

Mr. COUZENS. No; I am not opposed to it. As I said yesterday in debate, I am willing to go much further than Senators on the other side are willing to go to impose adequate rates to protect domestic industries, and I should be willing to go along with this if it accomplished that purpose; but it does seem to me absolutely useless to put on a tariff which will not do any good to the domestic producer, and will only increase the cost of paper and pottery construction.

Mr. PITTMAN. That is the only question in the Senator's mind, then—that it will not accomplish its purpose, and at the same time will make the imported clay higher? Is that it?

Mr. COUZENS. That is absolutely correct, just the same as if we put a duty on bananas or coffee or rubber. In other words, it would only cost the users in this country more without bringing any compensation to American producers.

Mr. PITTMAN. Is there any question in the mind of the Senator as to the depressed condition of the clay-producing industry?

Mr. COUZENS. Based on the statements of the Senator from Georgia, whose statements I do not deny, I think the industry is depressed, but I do not think it is due to importations. I think it is due to internal conditions. In other words, we might just as well propose a duty on bituminous coal and expect that it would help the bituminous coal industry. One thing is just as absurd as the other, in my opinion.

Mr. EDGE. Mr. President, will the Senator yield at that point?

Mr. PITTMAN. Yes. I am just asking these questions for information.

Mr. EDGE. Substantiating the contention of the Senator from Michigan, I simply desire to draw attention to the sworn testimony of the representatives of the Rex Paper Co., from the Senator's own State, Kalamazoo, Mich., in which they stated before the Ways and Means Committee and also before the Senate Finance Committee:

Statement that domestic clay could be substituted for imported clay for the manufacturing of all grades of coated paper is absurd. We, as manufacturers, emphatically state that we could not use domestic clay for the grades we manufacture. The color and quality are not to be compared.

Mr. GILLET. Mr. President, as I listened to the eloquent appeals of the Senator from Florida [Mr. FLETCHER] and the Senator from Georgia [Mr. GEORGE] my inclination was all to be with them, for when an argument for protection comes from those Senators my feeling is that such hopeful symptoms ought to be encouraged, and I always desire to vote for what seems to be comparatively an infant industry and give it protection. But my constituents, paper manufacturers, who are great users of this clay, tell me that an added duty would make no difference at all in their use of the domestic production; that it is not at all a question of price, but is simply a question of quality, and that they must use the English clay, no matter what the price. So an addition to the duty would increase the price of the foreign clay without increasing the market for the domestic clay and would increase the cost of paper and so diminish its use.

On the other hand, I recognize that the constituents of the Senators who take the other side tell them differently. It is an uncertain question, and ordinarily I should be inclined to side with them, because when there is an uncertainty I should want to say, "We will give the American producer the benefit of any doubt." But in this case, recognizing my own bias and suspecting that there may be some bias on the other side, there are two impartial tribunals which have passed upon this matter, both of them with a predilection for the duty. The House Committee on Ways and Means have decided that the additional tariff would not help the American producer. The Senate Finance Committee, also predisposed to protection, have decided that the additional duty would not help the American producer.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. GILLET. Certainly.

Mr. GEORGE. The Ways and Means Committee and the House did decide that the duty ought not to be reduced and then continued it at \$2.50 a ton, just as it was in the existing law, enacted in 1922, just as it was in the Republican tariff of 1897, just as it was in the Republican tariff of 1909.

Mr. GILLET. Yes; but they decided against the request for a raise which is made by the Senator from Georgia.

Mr. GEORGE. But they did not reduce it. The Senate Finance Committee has proposed a reduction.

Mr. GILLET. I recognize that distinction. But both of them were against the contention of the Senator from Georgia and the Senator from Florida. Therefore I feel that my predilection and my bias are fortified and strengthened by this impartial decision, and so it seems to me certainly no increase ought to be granted.

Mr. BLEASE. Mr. President, on the 4th of October I had placed in the RECORD certain statistics and a brief of the American producers of china clay and the kaolin people, to be found on page 4206 of the RECORD of that date, and also some letters from gentlemen engaged in the manufacture of those articles in my State. I shall not take the time to reread them, but I simply ask the Senators to take that matter into consideration.

I ask unanimous consent to have read at the desk a telegram which I received this morning from the United Clay Mines Corporation, at Congaree, S. C.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read as follows:

CONGAREE, S. C., November 4, 1929.

HON. COLE L. BLEASE,

United States Senator from South Carolina,

Senate Office Building:

As producers of high-grade china clay in your State, a basic raw material consumed by American manufacturers of china and earthen ware, we urge you to support Senate bill, tariff Schedule No. 2, paragraphs 211 and 212, covering china and earthen ware. The only outlet for our clay is to the American manufacturer, and if his call for tariff protection is not heeded, then china-clay production in your State will languish, to the detriment of all concerned. Your favorable consideration in this case will be appreciated by your constituents, we assure you.

UNITED CLAY MINES CORPORATION.

Mr. HARRIS. Mr. President, I shall not take the time of the Senate to discuss this question. I think the statements of my colleague and the Senator from Florida [Mr. FLETCHER] were most convincing in regard to the necessity for this raise.

I want to remind the Senate that even the distinguished Senator from New Jersey [Mr. EDGE], who is a member of the majority subcommittee which had this item in charge, expressed his doubt about the matter. I sincerely hope there may be no opposition to the amendment.

Mr. GEORGE. Mr. President, just before the vote is taken I wish to make a very brief statement in answer to the suggestion

which has come from our New England friends. Very frankly, the reduction of this duty would help some five or six States in New England which are the principal purchasers of the clays used in manufacturing paper. Very frankly, an increase in the rate would add a little cost to the New England paper manufacturers. I do not want to be misunderstood about that. But if that is the basis on which protection to this industry is to be denied or reduced, our friends on the other side of the aisle, of course, ought to be prepared to apply the same reasoning to all other tariffs.

Much has been said about the quality of domestic clay. I have never asserted, and I do not want to be understood as saying, that some very high-grade paper may not require some English clay. Similarly, it may be conceded that in the pottery business a very high grade of English clay may be profitably used. But the assertion that it is necessary to have it, since we have begun the mining of clay in the South under modern conditions, can not be sustained.

I want to put into the RECORD, just before the vote is taken, a statement by a chemist of the State of Pennsylvania connected with a very large paper manufacturing company. This chemist says:

In regard to retention, the domestic clays which we have been using are equal to any English clay which we have used in the past in this respect.

In our grades of paper we have been obtaining as good a finish with the use of domestic clays as we were obtaining with the use of English clays, with better opacity results.

It has always been my opinion from tests made comparing English with domestic clay that the well-prepared domestic clay is equal to the English clay for filler purposes.

That is a statement of Mr. G. K. Spence, chief chemist of the Castanea Paper Co., of Johnsonburg, Pa., under date of October 24, 1929.

Mr. President, some little while ago it was thought that the Interstate Commerce Commission might authorize a reduction of freight rates on clays. A letter was addressed to many consumers of clay throughout the United States. Let me call attention to some of the replies. I am not at liberty to disclose these letters except to say this, that this one is from California, and I want to read this statement. Speaking with special reference to Florida clay they say:

We do not use much of your Florida clay for the reason that the English clay is several dollars per ton cheaper, delivered on the Pacific coast, than your Florida clay would be. We could use approximately 100 per cent more of your clay provided the freight rate was \$3 per ton cheaper, delivered Los Angeles.

Mr. HALE. Mr. President, does that refer to coating clay or filler clay?

Mr. GEORGE. It is fine pottery clay and filler clays to which these letters refer. Let me read a letter from Hartford, Conn., from the Hartford Faience Co. I will not read it all, but let me quote a little of the language of this letter:

If we were able to purchase Florida clays with the same advantageous freight rate, we would use much more of this material. As it is, we are able to purchase English ball clay at practically the same price, and as a matter of fact it is easier to get than it is to get the clay from Florida. This is the only reason we have cut down our clay requirements from you in the past few years.

Let me read another one, from Trenton, N. J.:

Your clay has been too high in price for years—

Mr. HALE. These are all pottery clays, are they not?

Mr. GEORGE. Oh, yes; they are pottery clays; but the same thing is said by the paper manufacturers, to wit, that they must have English clay. The paper manufacturers in New England say they must have English clay in making fine paper.

Mr. HALE. Mr. President, can the pottery manufacturers make as good an argument as the paper people?

Mr. GEORGE. Exactly the same argument.

Mr. HALE. I understand that there are about 80,000 tons of coating clay imported.

Mr. GEORGE. Why does the Senator talk about coating clay? I stated yesterday that the total production of coating clay in this country was only about 21,000 tons, a negligible quantity at the present time. We are talking about filler clay, and clay for pottery purposes, and for all purposes for which fine grades of clay can be used.

Mr. HALE. Mr. President, will the Senator let me finish what I was about to say?

Mr. GEORGE. Yes; I will let the Senator finish.

Mr. HALE. About 80,000 tons of clay are used in this country for coating purposes, and my figures show that 72,000 of those tons are imported, and about 8,000 are produced domestically. As I have said, in spite of the additional cost the paper mills must still use the foreign clay.

Mr. GEORGE. O Mr. President, it has been abundantly shown that the importations of English clay amount to three hundred and thirty odd thousand tons.

Mr. HALE. I am talking about coating clay.

Mr. GEORGE. I understand. Now I will ask the Senator to let me finish this statement.

The English miners are sending approximately 339,000 tons into this market. They are taking half of the market in the really competitive field. We did not begin the production of coating clay until 1925, when we produced less than a thousand tons, and in 1928 we produced less than 21,000 tons. If the coating clay were the only item involved, it would not be worth while to argue about it, but what we want is a chance to supply some part of the markets that absorb some 300,000 tons of English clay.

Senators have been talking about the quality of the clay. I am reading from the men who use it. They do not say anything about quality; they are talking about price. Let me read this Trenton letter:

Your clay has been too high in price for years, and I do not question but that it would be to your advantage to get this reduction on the freight, and there should be a reduction in the price of the clay. We are buying to-day one of the best English clays that comes across the ocean for \$16.50, plus \$1.80 freight, making a total of \$18.30 per ton delivered, and understand this is gross ton. If your clay was so that we could use it, it would be very easy for us to use a 100 per cent more.

That is from New Jersey. Now let me read what a Canadian manufacturer says; just above Maine, however, let me say to the Senator from Maine. He says:

We would say that the high freight rate on Florida clay has always been a deterrent to our using of this material, and as a matter of fact we have been seriously considering the discontinuance of its use, in view of the fact that competing clays from Great Britain can be laid down at a much lower cost.

For your information we may say that the exact laid-down cost of your clay on rails here is \$26.34 a net ton, while a high-grade English china clay coming in via Portland only costs us \$20.57 a net ton.

Furthermore, we are negotiating at the moment for the importation of our English clays upon a more advantageous basis than at present, and feel reasonably sure that before the close of the season we will be purchasing our requirements at a considerably lower price than \$20.57 delivered.

Mr. President, I might read another letter from Pennsylvania to the same effect, and other letters from New Jersey manufacturers to the same effect. I am reading from letters written this year by the actual users of the material.

To what I have already said I have nothing to add.

The PRESIDENT pro tempore. The hour of 11 o'clock having arrived, under the unanimous-consent agreement entered into yesterday the Senate will proceed to vote upon the pending amendment.

Mr. BRATTON. Mr. President, before the vote is taken I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	Kendrick	Shortridge
Ashurst	Frazier	Keyes	Simmons
Barkley	George	La Follette	Smith
Black	Gillett	McKellar	Smoot
Blaine	Glenn	McNary	Steak
Blaise	Goff	Metcalfe	Steiner
Borah	Goldsborough	Moses	Stephens
Bratton	Gould	Norbeck	Thomas, Idaho
Brock	Greene	Norris	Thomas, Okla.
Brookhart	Hale	Nye	Townsend
Broussard	Harris	Oddie	Trammell
Capper	Harrison	Overman	Tydings
Caraway	Hastings	Patterson	Vandenberg
Connally	Hatfield	Phipps	Walcott
Copeland	Hayden	Pine	Walsh, Mass.
Couzens	Hebert	Pittman	Walsh, Mont.
Cutting	Heflin	Ransdell	Wheeler
Dill	Howell	Reed	
Edge	Johnson	Schall	
Fess	Jones	Sheppard	

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is still ill.

Mr. COPELAND. My colleague [Mr. WAGNER] is necessarily detained from the Senate this morning. He will be here later in the day.

Mr. SHEPPARD. The junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by reason of illness.

The PRESIDENT pro tempore. Seventy-seven Senators having answered to their names, a quorum is present.

Mr. COUZENS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. COUZENS. The pending question is upon the amendment of the Senator from Florida?

The PRESIDENT pro tempore. The question is on agreeing to the amendment which the Senator from Florida proposes to the amendment proposed by the committee.

Mr. WALSH of Massachusetts. Let the amendment be stated.

The PRESIDENT pro tempore. It will be stated for the information of the Senate.

The CHIEF CLERK. In paragraph 207, page 38, line 11, in lieu of the amount inserted by the committee, "\$1.50," the Senator from Florida proposes to insert "\$3.75," so as to read:

China clay or kaolin, \$3.75 per ton.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Florida to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question recurs upon the amendment proposed by the committee.

Mr. HEFLIN. Mr. President, what is the committee amendment?

The PRESIDENT pro tempore. The committee amendment will be stated.

The CHIEF CLERK. On page 38, line 11, the committee proposes to strike out "\$2.50" and insert "\$1.50," so as to read:

China clay or kaolin, \$1.50 per ton.

Mr. FESS. Mr. President, some time ago I received a letter from an interested citizen in Chillicothe, Ohio, submitting data upon the question of kaolin. I ask to have it inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHILLICOTHE, OHIO, September 25, 1929.

Hon. SIMON D. FESS,

United States Senate, Washington, D. C.

DEAR SENATOR FESS: Referring to the matter of tariff on china clay or kaolin, for the purpose of supplying you with the facts in reference to this particular commodity, the paper manufacturers' clay committee has prepared a memorandum, copy of which we inclose.

We trust this will serve to give you briefly the information which you would like to have when this particular item comes up for disposition.

Very respectfully yours,

THE MEAD PULP & PAPER CO.,
W. H. KETTER.

IN THE MATTER OF TARIFF ON CHINA CLAY OR KAOLIN, SCHEDULE 2, PARAGRAPH 207, TARIFF ACT OF 1922

Present duty, \$2.50 per gross ton. Duty asked by certain producers of domestic china clay, \$3.75 per gross ton. The House tariff bill made no change; the Senate Finance Committee reduced the duty \$1, or to \$1.50 per ton.

EXCERPTS FROM PAPER MANUFACTURERS' BRIEFS

Tariff history of duty

Tariff act of—	Per gross ton
1894.....	\$2.00
1897.....	2.50
1909.....	2.50
1913.....	1.25
1922.....	2.50

ORIGIN OF CLAY

Imported clay comes from England, and has been used by the American paper industry continuously for 50 years.

Domestic clay is produced principally in Georgia and South Carolina, with commercial deposits in some of the other Southern States.

Comparative prices, moisture-free basis (imported clay contains 12 per cent moisture; domestic, 5 per cent or less):

On cars, United States port of entry, versus on cars, Georgia

Common clay:	Net ton
Imported.....	\$15.23
Domestic.....	8.42
Price advantage, domestic.....	6.81
Coating or best clay:	
Imported.....	22.33
Domestic.....	13.68
Price advantage, domestic.....	8.65

Price advantage of domestic clay at representative paper-mill points, giving effect to freight rates

Place of delivery	Domestic price advantage coating clay	Domestic price advantage filler clay
	Net ton	Net ton
Hamilton, Ohio.....	9.02	7.78
Chillicothe, Ohio.....	5.41	6.57
West Carrollton, Ohio.....	9.50	7.65
Dayton, Ohio.....	9.21	7.57
Columbus, Ohio.....	8.18	6.34
Elkhart, Ind.....	8.90	7.06
South Bend, Ind.....	8.90	7.06
Kalamazoo, Mich.....	8.43	6.60
Munising, Mich.....	9.21	7.37
Niles, Mich.....	8.90	7.06
Otsego, Mich.....	8.43	6.60
Chicago, Ill.....	9.36	7.52
Appleton, Wis.....	9.76	7.93
Kaukauna, Wis.....	9.76	7.93
Kimberly, Wis.....	9.76	7.93
Neenah, Wis.....	9.76	7.93
Niagara, Wis.....	9.76	7.93
Rothschild, Wis.....	9.76	7.93
Cloquet, Minn.....	9.93	8.09
Sartell, Minn.....	14.70	12.87
Providence, Md.....	5.27	3.42
Wilmington, Del.....	5.01	3.16
Rockland, Del.....	5.01	3.16
Port Richmond, Pa.....	4.66	2.82
Spring Grove, Pa.....	5.42	3.59
Johnsonburg, Pa.....	5.25	3.42
Roaring Springs, Pa.....	5.98	3.13
Tyrone, Pa.....	5.59	3.76
Piedmont, Va.....	6.96	5.12
Covington, W. Va.....	9.33	7.49
Mechanicsville, N. Y.....	4.67	2.82
Glens Falls, N. Y.....	4.59	2.75
Niagara Falls, N. Y.....	5.77	3.92
Ticonderoga, N. Y.....	2.93	1.09
West Fitchburg, Mass.....	3.15	1.31
Holyoke, Mass.....	4.06	2.22
Lawrence, Mass.....	2.47	.63
Turners Falls, Mass.....	4.06	2.22
Lisbon Falls, Me.....	.73	1.11
Rumford, Me.....	1.88	.04

CORROBORATION BY DOMESTIC CLAY PRODUCERS OF PRICE ADVANTAGE OF DOMESTIC CLAY

From R. T. Vanderbilt Co., in page advertisement in the August 17, 1927, issue of the Ceramic Age:

"Cherokee kaolin, an American product from the State of Georgia, will score high when measured by the six main standards by which clays are judged. * * *

"Cost: The delivered cost of Cherokee kaolin is from \$8 to \$10 per ton less than that of imported clays."

From Edgar Bros., in page advertisement in the 1928 issue of Paper and Pulp Catalogue of Machinery, Equipment, Chemicals, and Supplies:

"Import clay must now bear an import burden of \$2.50 per ton"—Implying that this amount per ton may be saved by the use of domestic clay.

These two domestic producers control six of the seven companies parties to the application for a higher duty.

Domestic production increase

Year	Production	Increase over 1920
	Net tons	Per cent
1920.....	268,203	-----
1925.....	367,319	36
1926.....	432,215	60
1927.....	450,000	67
1928.....	500,000	86

ENGLISH CLAY NECESSARY IN PAPER MANUFACTURE

During the many years in which the domestic clay has been well known to the paper industry, paper manufacturers have continued to import certain grades of English clays. Testimony was introduced into the record from 42 paper manufacturers setting forth the reasons, of which the following are typical:

Rex Paper Co., Kalamazoo, Mich.: "Statement that domestic clay could be substituted for imported clay for the manufacture of all grades of coated paper is absurd. We, as manufacturers, emphatically state that we could not use the domestic clay for the grades we manufacture. The color and quality are not to be compared."

Fitchburg Paper Co., Fitchburg, Mass.: "We wish to go on record as positively unable to substitute domestic clay for foreign without materially lowering our standards for color and surface. This statement made after recent exhaustive tests."

TESTIMONY FROM DOMESTIC PRODUCERS THAT ADDITIONAL DUTY IS NOT
NEEDED AND WOULD BE UNFAIR TO PAPER INDUSTRY

Moore & Munger are large producers of domestic clay, their output equalling the Vanderbilt or Edgar companies, the other two principal producers. Quoting from their testimony:

"Our annual shipments of Georgia clay for the year just ended total 70,000 tons. We are able to produce and sell this quantity at a satisfactory profit and our mines are operating at capacity. We can do more business and are negotiating additional facilities. We are not embarrassed by the present duty of \$2.50 per ton on English clay. Domestic clay, including those handled by ourselves, can be furnished consumers at a lower price than English to practically every important point of consumption . . . and because of this enormous advantage there has been no difficulty whatever in displacing certain grades of English clays. We do not require further duty protection against English clays, either to sell more domestic or to increase the price of domestic clay when necessary."

These facts show that the duty of \$1.50 per gross ton, proposed by the Senate Finance Committee, will not in the slightest degree jeopardize the interests of the domestic clay industry, which will be more than adequately protected; in fact, the record justifies the elimination of the entire duty.

The PRESIDENT pro tempore. The question is on the amendment of the committee to strike out "\$2.50" and insert "\$1.50," so as to read:

China clay or kaolin, \$1.50 per ton.

Mr. SMOOT. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. OVERMAN (when his name was called). The senior Senator from Wyoming [Mr. WARREN] is unavoidably detained. I have a general pair with that Senator. I transfer the pair to the junior Senator from Utah [Mr. KING] and vote "nay."

Mr. PATTERSON (when his name was called). I have a general pair with the junior Senator from New York [Mr. WAGNER]. I transfer the pair to the senior Senator from Illinois [Mr. DENEEN] and vote "yea."

Mr. STEPHENS (when his name was called). I have a general pair with the junior Senator from Indiana [Mr. ROBINSON]. Therefore I withhold my vote.

Mr. PHIPPS (when Mr. WATERMAN's name was called). My colleague the junior Senator from Colorado [Mr. WATERMAN] is necessarily absent. I will allow this announcement to stand for the day.

The roll call was concluded.

Mr. BLEASE. I have a pair with the junior Senator from New Jersey [Mr. KEAN]. I understand that if he were present he would vote "yea." If at liberty to vote, I would vote "nay."

Mr. JONES (after having voted in the affirmative). The Senator from Virginia [Mr. SWANSON] is necessarily absent from the Senate this morning. I am paired with him. I find that I can transfer the pair to the junior Senator from Colorado [Mr. WATERMAN], which I do, and allow my vote to stand.

Mr. FESS. I desire to announce the following general pairs: The Senator from Kentucky [Mr. SACKETT] with the Senator from Missouri [Mr. HAWES];

The Senator from Indiana [Mr. WATSON] with the Senator from Arkansas [Mr. ROBINSON]; and

The Senator from Connecticut [Mr. BINGHAM] with the Senator from Virginia [Mr. GLASS].

Mr. SHEPPARD. The junior Senator from Utah [Mr. KING] is necessarily absent owing to illness.

The result was announced—yeas 35, nays 40, as follows:

YEAS—35

Allen	Gillett	Kendrick	Phipps
Blaine	Glenn	Keyes	Reed
Capper	Gould	La Follette	Smoot
Copeland	Greene	McNary	Tydings
Couzens	Hale	Metcalf	Vandenberg
Cutting	Harrison	Moses	Walcott
Edge	Hastings	Norris	Walsh, Mass.
Fess	Hebert	Nye	Walsh, Mont.
Frazier	Jones	Patterson	

NAYS—40

Ashurst	Dill	Johnson	Shortridge
Barkley	Fletcher	McKellar	Simmons
Black	George	Norbeck	Smith
Borah	Goff	Oddie	Steck
Bratton	Goldsborough	Overman	Steiwer
Brock	Harris	Pine	Thomas, Idaho
Brookhart	Hatfield	Pittman	Thomas, Okla.
Broussard	Hayden	Ransdell	Townsend
Caraway	Heflin	Schall	Trammell
Connally	Howell	Sheppard	Wheeler

NOT VOTING—19

Bingham	Hawes	Robinson, Ind.	Wagner
Bleas	Kean	Sackett	Warren
Dale	King	Shipstead	Waterman
Deneen	McMaster	Stephens	Watson
Glass	Robinson, Ark.	Swanson	

So the amendment of the committee was rejected.

The PRESIDENT pro tempore. The clerk will state the next amendment passed over.

Mr. EDGE. Mr. President.—

The PRESIDENT pro tempore. The Chair thinks it advisable to have some subject before the Senate to which Senators may address themselves.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. EDGE. I desire to offer a further amendment to this particular paragraph. Therefore I do not want the next amendment to be placed before the Senate until I shall have presented my amendment.

The PRESIDENT pro tempore. Unless the Senator wishes to offer an amendment to an amendment, the Chair does not see how that could be done under the unanimous-consent agreement.

Mr. EDGE. The action of the Senate just taken defeats the committee recommendation of \$1.50. Therefore the paragraph now provides a rate of \$2.50 on china clay or kaolin. As I understand the decision of the Chair, that being the figure appearing in the bill as it reached the Senate, it is not subject to amendment at this time.

The PRESIDENT pro tempore. That is the understanding of the Chair with reference to the unanimous-consent agreement.

Mr. EDGE. I accept the decision and think the Chair is correct.

The PRESIDENT pro tempore. The clerk will state the next amendment passed over.

The CHIEF CLERK. The next amendment passed over, at the request of the senior Senator from Nevada [Mr. PITTMAN], is on page 38, line 16, where the committee proposes to strike out "silica, crude, not specially provided for, \$4 per ton; silica, suitable for use as a pigment, not specially provided for, \$7.50 per ton."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee.

Mr. PITTMAN. Mr. President, this amendment was adopted on last Friday I believe, and by unanimous consent the vote by which it was adopted was reconsidered. I now offer an amendment as a substitute for the committee amendment.

The PRESIDENT pro tempore. The amendment in the nature of a substitute proposed by the Senator from Nevada will be stated for the information of the Senate.

The CHIEF CLERK. In lieu of the words proposed to be stricken out by the committee, the Senator from Nevada offers the following:

Silica, crude, or any material consisting of more than 90 per cent silica, silica sands imported for glass manufacture, not specially provided for, \$4 per ton; silica suitable for use as a pigment, not specially provided for, \$7.50 a ton.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Nevada as a substitute for the committee amendment.

Mr. BROOKHART rose.

The PRESIDENT pro tempore. On that question the Senator from Iowa is recognized.

Mr. PITTMAN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Nevada?

Mr. PITTMAN. No; I do not ask that the Senator yield. I rise to a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. PITTMAN. What I wish to know, having offered this amendment, whether I have displaced the subject before the Senate in favor of prohibition, and have we departed from the consideration of the tariff bill?

The PRESIDENT pro tempore. The present occupant of the Chair believes that it is always advisable to have a question before the Senate for discussion, and on that question as stated the Senator from Iowa has been recognized.

Mr. PITTMAN. And the Senator from Nevada was not recognized, although he had offered an amendment for the purpose of discussing it and was addressing the Chair?

The PRESIDENT pro tempore. That is correct. The Senator from Iowa continues to be recognized.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. COPELAND. Let me ask what became of the amendment in line 12, page 38, relating to feldspar?

The PRESIDENT pro tempore. That amendment has heretofore been agreed to.

Mr. COPELAND. I thank the Chair.

ENFORCEMENT OF THE PROHIBITION LAW

Mr. BROOKHART. Mr. President, on Monday morning last I clipped from Arthur Brisbane's column the following:

Washington awaits Senator BROOKHART's promised revelations concerning a senatorial dinner not dry.

A New York broker named Fahy is supposed to have tempted the Senators at a private party and, according to Senator BROOKHART, they did drink. Everybody knows that Congressmen drink and that prohibition is for the little man. But it is unpleasant to talk about it.

Mr. President, the trouble with prohibition enforcement, the trouble with all law enforcement in this country, is that there is too much of the feeling that laws are for the little man. It is my purpose to advocate the theory that the laws are for the big men as well as the little men, and the proper place to begin enforcement is with the big men. A United States Senator has no right to claim exemption from a subpoena of a grand jury any more than has any other citizen; in fact, his position ought to be a guaranty that he will respond to the process of the law. The question then is, Shall all law be for little men only?

Mr. President, I realize that idea has caused most of the failure there has been in the enforcement of prohibition. Gen. Smedley Butler failed in Philadelphia only when he sought to punish the big men in the big clubs and in the big hotels, and he was not sustained by the authorities of that city. Had he been sustained, that man, with his ability and his courage and other great qualities, would have cleaned up Philadelphia. However, it was decided by the authorities in Philadelphia that prohibition was for little men only. Hence his failure.

Mr. President, I am not here to assert that conditions have not improved in the United States with reference to prohibition; I am not here to criticize everything with reference to the enforcement of the liquor laws. I congratulate the President of the United States on the personal stand that he has taken in this matter. His example has had a good effect among bigger people, among that class of big people especially that always toady to high authority. I want to give to the Vice President of the United States the highest credit for the attitude that he has taken upon this question and for the sincere devotion he has displayed toward the enforcement of the law. I want to give to Sir Esme Howard credit for the position that he has taken in reference to our laws, and, so far as I am concerned, if the other ambassadors do not voluntarily adopt a similar position, I am ready by law to compel them all to follow the lead of that distinguished English statesman.

Mr. President, in 1896 I visited Washington for the first time. At that time there was a bar in the restaurant of the House of Representatives. In one week in Washington I then saw more drunken Congressmen than I have seen drunken people all together in the whole city of Washington during the last seven years. So conditions have improved over those of the old days. When I first came to Washington I was invited to a couple of private dinners where liquor was served, but I never was invited a second time.

So far as I am concerned, I start with the theory that alcohol is unfit for use either as a medicine or as a beverage. In the last few days the Presbyterian Hospital of the city of Chicago, the largest hospital in that city, has reported that since the prohibition law went into effect it has not used one quart of alcohol as a medicine, and it has had 12,000 patients a year. The famous Mayo Hospital, in Minnesota, perhaps the most famous hospital in the country, if not in the world, long ago adopted the same rule.

I remember when Chaplain Robb was sheriff of Polk County, the largest city of my State, Des Moines, being in that county, captured alcohol at various times. Under the law he had the authority to turn it over to the hospitals; but every hospital in the city of Des Moines years ago refused to use it as a medicine. It is unfit for medicine; it is a poison; it belongs among the poisons only. So far as its effect upon the physical man is concerned, I have had an experience of my own that tells me about that as well as I could be told by any scientist. I think I have trained more riflemen, directly and indirectly, than any other man in the world. I have trained world champions. So I know what it is to bring out the best in men, and I say it can not be done with booze; it can not be done even with the most temperate use of alcohol. Therefore I start out on the theory that alcohol is an evil in the medical profession and for any personal beverage use whatsoever.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Maryland?

Mr. BROOKHART. No; I am not going to yield. No one likes better than I do to yield to a Senator while I am on the floor. There is no subject that I would rather discuss back and

forth with the Senator from Maryland or all Senators than the one I am now discussing, but I am anxious for the tariff debate to continue; I do not want to delay it; and it is only because of the special circumstances which have arisen that I have taken up this subject briefly at this time. I want to conclude with it just as quickly as possible, and so I shall not enter into a general discussion with anybody, and therefore will not yield to the Senator.

Mr. TYDINGS. I merely wish to ask—

The PRESIDENT pro tempore. The Senator from Iowa declines to yield.

Mr. TYDINGS. I merely wish to ask the Senator a question.

Mr. BROOKHART. I decline to yield; that is plain English.

The PRESIDENT pro tempore. The Senator from Iowa declines to yield.

Mr. BROOKHART. Mr. President, the newspapers have intimated that there was somewhat of a conflict between the district attorney and myself. That is not the fact of the situation. It is now disclosed that the district attorney and other authorities have been making somewhat of a round-up since our discussion of this matter on the Senate floor, and I think it was perfectly proper for Mr. Rover to delay subpoenaing me until that had been brought out publicly. There is no conflict between him and me in that respect.

Now, as to the reporters of the Washington Times. I think that the Washington Times very properly pointed out that there was a discrimination; that United States Senators had not been summoned, and therefore a Times reporter ought not to be compelled to disclose what he knows; but now I want to say to the Times that I have been summoned, and I am going to appear and answer every question as truthfully as I can. I want further to say to the Times that it is up to them to advise their reporters to do the same thing. This theory of personal confidence can not obtain when it comes to crime. We can not afford secret societies of crime in high society or anywhere else. I will mention that more particularly a little later on.

Now, Mr. President, I want to describe some of the conditions that need attention, a few of the points that need the attention of Congress and some that need the attention of the administration. I want to give the administration praise for everything it has done along this line, but I have some severe criticisms for some big things that I think have not been done, and I propose to speak of those just as plainly as I shall speak words of praise when they are called for.

I investigated personally the condition all along northern New York last summer. I investigated the conditions all the way from the west end of the Thousand Islands to Vermont. I visited every Government station along that line. There is not a prohibition agent along the whole line—not one. The entire burden of protecting the border from the inflow of liquor from Canada is left to the immigration officers and the Customs Service. I want to say that I found those officers energetic, loyal, and determined to stop the inflow of illicit liquor; but there are not enough of them to do it with merely the officers of the Immigration Service and the Customs Service. The immigration officers are not allowed to go out and search for liquor; they can only turn it in when they find it in connection with their duty. Yet there is not a prohibition officer along that line.

I went out to Touissant Twombly's place, which was described to me as the worst place for smuggling liquor across the line on the northern border. It is situated something like this: His house is built on the line, and on the American side of the line and connected with the house there is a long shed which the officers said would hold five automobiles. On the other side of the line, a little way over, is what looks like a barn, but I was told it was his liquor storehouse. He has a patrol of his own organized to watch the Government immigration patrol, because there are no prohibition officers there. That patrol watches, and when the roads are not guarded for 10 minutes an automobile will slip out of that shed over across the Canadian line, and in 5 minutes it is loaded with its liquor, and in 5 minutes more it is down across the American line, well down in the country, and the prohibition agents are away down in the country. Once in a while they catch one of them, but not often.

Mr. President, three men placed on that road on 24-hour-day duty will stop Touissant Twombly in his illicit traffic. All they have to do is to be there all the time. All the roads could be easily guarded in that way; but there is no adequate force to do that. There ought to be such a force; and who is to blame because there is not such a force?

Now, I am not after little fellows, and I will name the man that I think is to blame. His name is Andrew W. Mellon. We voted him \$50,000,000 to improve and to increase this prohibi-

tion force, and he turned it down. He did not want it; and yet there is that section of territory that I know, from a personal inspection of every Government station along it, needs that additional force.

Then while Mr. Mellon, as chief prohibition officer, is to blame, I want to call the President's attention to the fact that he has a responsibility over the head of Mr. Mellon, and therefore it is up to him to remove Mr. Mellon and to put somebody in his place, and get a Smedley Butler, or somebody like him who means business, to enforce this law.

Now, Mr. President, I am going to tell about the Wall Street dinner, and then I am done with what I have to say.

After I was elected in 1926 I received an invitation signed "Walter J. Fahy," spelled "F-a-h-y." I have in my hand a similar invitation. It is not the one I received, because I threw mine in the wastebasket. This is an invitation that was sent two years later. It came to me through the United States mails in this envelope after my former discussion of that dinner in the Senate, and it has a list of guests; and this invitation read as the one that came to me:

Willard Hotel, December 7, 1928—

However, mine was "1926"—

Washington.

A biennial dinner to Republican Senators, by Walter J. Fahy.

And here is a list of the Senators and of the guests. Some of these Senators, I know, did not attend this dinner. They told me so; and, by the way, probably five Senators have asked me if they attended the one that I did. They did not seem to remember. [Laughter.]

I am not going to put in this list of guests. I do not know whether there was any booze at this dinner or not; but this was a Wall Street dinner. I see Mr. Loomis, of the Morgan Co., mentioned here, and there is a long list of Wall Streeters in this list of guests. But, Mr. President, the one I received came to my home out at Washington, Iowa, and I threw it in the wastebasket, as I have said. Then I came on down here to Washington some weeks later and I met our distinguished President pro tempore, and he said to me, "You have not answered Fahy's letter." I said, "No. Who is Fahy, anyhow?" He said, "Well, he is an old friend of NORRIS and LA FOLLETTE, and he is giving a friendly dinner down there"; and that is true. He was at one time a friend of NORRIS and LA FOLLETTE. I said, "All right; if that is all there is to it, I will go"; and I went.

When I got down there the first fellow that greeted me was Otto Kahn. I did not recognize him as a particular friend of NORRIS and LA FOLLETTE. I looked around at that bunch, and it seemed to me there was something doing; and in a little while—this occurred in the reception room, not in the dining room; I remember that the distinguished so-called Senator elect Mr. VARE was there—some one lifted up a curtain either on a table or a bookcase or something and underneath that curtain was a rack of beautiful silver hip flasks; and the word went around that they were filled with Scotch, or something of that kind, and "help yourself." A considerable number of the gentlemen there did help themselves.

In my former talk here I mentioned the fact that Senator Smoot was present; and some of the newspapers gave out the impression that Senator Smoot denied the transaction and all about it. That is not correct. I want that distinctly understood. Senator Smoot was as much disgusted with that booze party as I was and as much against it. I do not want to put out any intimation that he took one of those flasks or used liquor, because he did not; and neither did he deny the dinner. He denied recollection of the dinner; but you will remember, now, that this thing was sprung very suddenly on Senator Smoot here in the Senate, and the reason why I brought it up at that particular time was because it was in a controversy with the President of the United States himself, and I thought that was the proper time to let this thing be known; and, springing it in that way, Senator Smoot did not recall the dinner. But he did recall it very shortly afterward, and so told me, and there is not any dispute between Senator Smoot and myself about those facts in any way. As I say, he was entirely disgusted with the booze part of this dinner. As to the Wall Street part, the Senator will have to take care of himself. [Laughter.] I have nothing to say about that.

Senator Gooding did not take one of those hip flasks, and I did not. As to whether the other Senators did, they can answer for themselves. I do not know. A good many of them, those Wall Streeters, were very active in getting the flasks. I noticed that.

Then we went in to dinner, Mr. President. I was seated with Otto Kahn on my right-hand side and with E. E. Loomis,

of the Morgan Co., on my left-hand side; and, as the dinner proceeded, Mr. Kahn brought up the subject of a proposition I had made in the Interstate Commerce Committee in reference to railroad valuation. I have always insisted that there was \$7,000,000,000 of water injected into railroad values by the Esch-Cummins railroad law. The market value of their securities was less than \$12,000,000,000 when it was fixed at \$18,900,000,000; and I have always insisted that we could squeeze some of that water out, even now, by condemnation of the securities for this consolidation purpose. Mr. Kahn brought up that subject in reference to my action before the Interstate Commerce Committee, and he said to me, "Your plan will not work." He said, "You can not condemn the securities in that way for consolidation purposes." He said, "The courts will look through the mere market value of the securities to the value of the property beyond." I said, "Well, Mr. Kahn, the courts have not done that up to date; and the Supreme Court of the United States by unanimous opinion has condemned the securities of railroads for the purpose of consolidation. That has already been done. But," I said, "you are a forward looking crowd. You have a man out in Iowa fighting me six years off right now. His name is Westervelt. He appeared in my town just before I started down here, and after demolishing all of my theories about railroads and other economic matters, he proceeded to eulogize the New York Stock Exchange, and described what a wonderful benefit that was to the people of Iowa and of the country in general, because he said it fixed the value of \$70,000,000,000 of property each year by the sales on the exchange."

Then I said to Mr. Kahn, "You do sell this stuff on the exchange to the people of the country, and take their money at those values; but when I propose that we take the same market value of your railroad securities as the basis of making rates, then you repudiate the whole stock-exchange market"; and that ended the conversation with Mr. Kahn.

A few minutes later practically the same conversation occurred with Mr. Loomis, on my left-hand side. Well, the dinner was over; but during the course of that dinner Mr. Loomis took his hip flask—a beautiful silver hip flask—out of his pocket, and he poured out some of that alcoholic stuff. I have had enough experience in the chemical laboratory to know that it had a heavy content of alcohol. He poured that in the glass, and then he poured in some water—it was too strong to take raw—and he drank that, and a lot of similar operations went along down around the table.

Then the dinner was over, or about that time, and Senator Gooding and I broke away. Senator Gooding took no hip flask. Senator Gooding was approached upon a railroad proposition that he was considering, the long-and-short-haul proposition, similarly as I was on these others that I was considering. We broke away and went away, started away together. We started out. The Senator from New Jersey [Mr. EDGE] called me back [laughter], and the Senator was talking to this Mr. Loomis, of the Morgan Co., and the Senator from New Jersey said to me, "Do you know whom you were in between here to-night?" I said, "Well, I had some suspicion of it." He said, "You had Kuhn, Loeb & Co. on your right and you had Morgan & Co. on your left." He said, "Don't you think you got contaminated just a little?" I said, "I think not, because I have been vaccinated against all that stuff" [laughter]; and I guess they concluded that my vaccination took, because I was not invited to the next Fahy dinner.

Mr. President, this morning I received this letter:

QUINCY HOUSE,

Boston, Mass., November 2, 1929.

HON. SMITH W. BROOKHART,

United States Senate.

DEAR SIR: If the inclosed represents your idea of the ethics of a guest invited to a private dinner—

He incloses a clipping of my summons, I guess, before the grand jury—

to broadcast tales about his host, the suspicion that you are a charter member of the Great American Polecat Club seems amply confirmed.

[Laughter.]

The PRESIDENT pro tempore. The Chair must admonish the occupants of the galleries that they are present by the courtesy of the Senate, and the rules of the Senate forbid any demonstration whatever in the galleries.

Mr. BROOKHART (reading):

The East may be effete, but it is not yellow, and I note that all this kind of cheap snooping comes from the comical States of Kansas and Iowa.

You might take a lesson in the code of honor among gentlemen from those common reporters of Washington who prefer jail to disclosing

information obtained in confidence. Pretty sickening disclosure of the standard of honor of a Senator of the United States!

Yours truly,

ROGER W. MINTONE.

There is nothing at the top of this letter, no heading to show what business Mr. Mintone does. He may be a perfectly honest man, and I will answer his letter with that idea. It may be, and of course is true, that he did not know the circumstances of this dinner.

Mr. President, I want to say this, that no man can invite me to a dinner and talk to me about my duties in the United States Senate with a view to influencing me against my constituents and call that "confidence." No man can invite me to a dinner where crime is in evidence in any way and say to me that because of his confidence as a host I shall conceal the crime, or neglect to testify to the facts exactly as they occurred.

That is what is the matter with this country. It is these infernal secret societies of high society, these secret societies which think they are above the law, these societies which say the law is for little men and not for big men. That is the thing that makes the trouble in this country.

I have been through all of this experience many times before. This identical thing is nothing new to me. I had it all as prosecuting attorney in my county in the early days. I had it as an officer of the National Guard, where I exposed the officers of a regiment who violated the law in my own town. I got plenty of this same kind of criticism at the time for doing it, but I received a letter from my general, which I prize almost more than any letter I have ever received, and a year later I was the guest of honor of those same officers and that same regiment.

I want to say now to the President's crime commission, if they want to enforce the laws of this country, let them look into the affairs of the big fellows. They are the ones to investigate. I want to say to the members of the United States Senate, get out of these booze parties. You do not need mementos like hip flasks to enable you to do your duty here in the Senate of the United States.

"TELE-TALKIES" IMPORTATION

Mr. DILL. Mr. President, I have an article from the WCTL Radio Magazine, of Chicago, entitled "'Tele-Talkies,' the Later Wonder." It is a very interesting explanation of the new method of broadcasting speaking and pictures together. I ask to have it inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"TELE-TALKIES," THE LATEST WONDER

Add another word to your radio vocabulary, "tele-talkie," descriptive of the new Baird system of combined television and radio broadcasts. As indicated by the name, this particular "tele-talkie" system was devised by John L. Baird, Scotch inventor, who has devoted so much time and study to the advancement of television.

The "tele-talkie" is broadcast from a film similar to that used in "talking movies." Along one side of an ordinary motion-picture film there are little streaks, alternately light and dark, the whole resembling somewhat a very fine picture of a ladder. This is the photograph of the sound waves of the voice or music accompanying the picture.

When the film is run through the televisor the picture part is scanned by a system similar to that used in most television broadcasters—the picture is broken up by a scanning disk, a photo-electric cell registering the fluctuations in shades and causing similar fluctuations in the current of the circuit in which the photo-electric cell is placed.

At the same time beams of light projected through the "ladder" effect on the side of the film and into another photo-electric cell cause fluctuations in another electric circuit.

Thus two currents are broadcast from this simultaneous scanning of the picture of the image and the picture of the sound waves. The first carries the television broadcast and the second the radio broadcast.

The receiving apparatus is a combination television and radio receiver, enabling the radio audience to see the image as well as hear the voice of the broadcast artist.

American associates of Inventor Baird recently made a successful demonstration in New York, using live subjects instead of motion-picture reels in the scanning apparatus. In this demonstration an ordinary microphone was used to pick up the aural part of the broadcast.

The image was approximately 3 inches wide and 4 inches high. The voice of the person stationed before the "eye" of the televisor came to the observer from a loud speaker linked with a microphone near the living subject posing before the electrical camera. The images were clear and the voice distinct.

Capt. W. J. Jarrard, representative in America of the Baird Television Corporation, says that the system can be transferred bodily to some convenient radio wave and the voice and image vibrations sent over the same identical wave length, as the width of channel required is

that used by every broadcaster in this country. Radio listeners could then become partakers of sound and sight entertainment transmitted simultaneously from one subject or small group of entertainers.

The image televisor and projector is said to be on the same principle as the original Baird television apparatus, with refinements made lately by the inventor and his associates. These refinements are said to be the real secret of the perfected device. One of the problems which the engineers are still working on is an arrangement of the holes in the scanning disks to give a minimum of the dark streaks seen on the image screen of the receiver.

Captain Jarrard reports that at a recent test of the Baird system in England before members of Parliament and the postmaster general the system was pronounced "a noteworthy scientific achievement" which has paved the way for "tele-talkies" to be broadcast regularly in England over stations of the British Broadcasting Co.

"What is now called tele-talkies," says Captain Jarrard, "is expected to rapidly develop into simultaneous broadcasts on the same wave length of the voices and images of living entertainers. This can be done on the present wave facilities of stations and without disturbing their present apparatus, just as it is sent over wires from our studio to our laboratory. The wires are permitted to carry no greater detail of image or sound than can be accommodated by the stations with their present transmitters.

"Sound will undoubtedly add greatly to the attractiveness of television broadcasts of the future. The sound helps the vision and the vision the sound. The combination is infinitely superior to one or the other separately. The necessity for sending the accompanying speech in television is much greater than for speaking films in theaters, because with present-day television the field of vision is restricted to one or two persons. Such a performance, to have real interest, must be accompanied by the voices of the performers."

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes, the question being on the amendment proposed by Mr. PITTMAN to the amendment on page 38, lines 16 to 18, where the Committee on Finance proposed to strike out the words "silica, crude, not specially provided for, \$4 per ton; silica, suitable for use as a pigment, not specially provided for, \$7.50 per ton."

Mr. PITTMAN's amendment to the amendment was in lieu of the matter proposed to be stricken out by the committee to insert:

Silica, crude, or any material consisting of more than 90 per cent silica, silica sands imported for glass manufacture, not specially provided for, \$4 per ton; silica, suitable for use as a pigment, not specially provided for, \$7.50 a ton.

Mr. PITTMAN. Mr. President, the amendment under consideration is the committee amendment striking out the House provision with regard to a duty on silica. It is found on lines 16 to 18, inclusive, page 38. The House provision reads as follows:

Silica, crude, not specially provided for, \$4 per ton; silica, suitable for use as a pigment, not specially provided for, \$7.50 per ton.

That was the duty provided in the bill as it passed the House. The Finance Committee in its amendment strikes that provision out, leaving silica on the free list. The object of the amendment I have presented to the Senate is not only to restore that provision in the bill by defeating the committee amendment but to clarify the House provision itself at the same time.

This provision found in the House bill was first adopted in the Fordney-McCumber Tariff Act of 1922, but it became inoperative immediately after its passage.

Let me turn back to the tariff act of 1922, where this provision first appeared. In the act of 1922 not only did we place this same duty upon silica but in preparing the same tariff act with regard to manufactured glass, a compensatory duty was carried, of course, into the manufacture of glass.

While there was a duty provided in the act of 1922, it did not result in any protection of silica whatever, because there is no silica imported into this country, and never has been. As a matter of fact, there is no such thing as silica in its pure state except that which is prepared in laboratories.

Silica is found in rock everywhere. It is one of the most universal constituents of rock. It is a metal. But in commercial quantities silica is practically found in only two forms. One of them is silica sand, and the other is silica quartz.

Silica is chiefly used in the manufacture of glass. Glass is at least 98 per cent pure silica. That is about as pure as we can get silica, except in the laboratories.

Where does the silica used in the manufacture of glass on the Pacific coast come from? Nearly all of it comes from Belgium in the form of a silica sand. A sand is nothing but ground up rock, ground up in nature to a size that is called sand.

The intention of the Congress in 1922, when it placed a duty of \$4 a ton on silica, undoubtedly was to protect against the importation of silica sand. It could not have been anything else, because there never were any other importations of silica except in the form of sand. The silica sands of Belgium are about 98 per cent pure silica. The other 2 per cent consists of magnesium and other minerals of that type, sometimes a little iron, sometimes aluminum. But the glass we see around us, the plate glass, and all other glass, is manufactured from silica, and it is found best in the natural form of sand.

Silica sand does not exist alone in Belgium. Silica sand exists everywhere. Wherever there has been a rock that contained a large quantity of silica, and it has decomposed through the effect of water and atmosphere, the silica has remained as a sand, because the silica is a very hard, impervious mineral, and while the other materials in the rock will disintegrate and go away in a semiliquid form, the solid particles, which are silica sand, remain. That is the history of silica.

In 1922 the Ways and Means Committee of the House of Representatives, who were preparing the Fordney-McCumber tariff bill, were convinced that the silica-sand industry of the United States should be encouraged. It was demonstrated to that committee at the time that there were enormous deposits of high-grade silica sand in the United States.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. WALSH of Massachusetts. What was the duty prior to 1922 upon silica sand, or was it on the free list?

Mr. PITTMAN. It was on the free list.

Mr. WALSH of Massachusetts. And it was transferred to the dutiable list?

Mr. PITTMAN. It was transferred to the dutiable list in 1922 by the Ways and Means Committee.

Mr. WALSH of Massachusetts. Did the Senate concur in that?

Mr. PITTMAN. The Senate unanimously concurred in that. The Tariff Commission reports on the subject of silica production is as follows:

Silica deposits of commercial value are relatively scarce when compared with the occurrence of free silica. With a few exceptions, most forms of silica are sold for such low prices that economic factors, such as proximity to railroads and to local markets, determine the value of the deposit for commercial purposes. California reported the largest output in 1927. Other important producing States are Maryland, Nevada, New York, and North Carolina.

This was the situation in 1922: While there were large deposits throughout the United States of silica sand of equal quality with the silica sand of Belgium, it was impossible to carry on the industry of the production of silica sand in the United States in competition with the silica sand from Belgium, for this reason, in the first place, that mining operations in Belgium, like all other operations, are cheaper than they are in the United States. In the second place, the Belgian deposits are on the seacoast, and transportation to the United States is by water. Not only is the transportation to the United States by water but the product is frequently transported in ballast in ships coming to the United States having no cargo from Belgium to the United States. When that is done the cost of transportation is very low. It is practically whatever can be gotten for it.

That situation being demonstrated to the Ways and Means Committee of the House in 1922, they put on the tariff. But what happened? The act had no more than been put into effect in July, 1922, than the Treasury Department held that Belgian sand was not silica and that there was no duty therefore on Belgian sand. They did not, however, make that decision until January, 1923. From July, 1922, after the act went into effect, until January, 1923, they collected the duty on silica sand under the theory that it constituted silica as described in the act.

Mr. BARKLEY. Mr. President—

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Kentucky?

Mr. PITTMAN. I yield.

Mr. BARKLEY. Does the Senator refer to silica sand as being the same as is ordinarily known as glass sand?

Mr. PITTMAN. It is the same thing. The terms are synonymous.

When the tariff act of 1922 went into effect, the glass-sand industry of the country started up. The producers believed they could make a profit on silica sands or glass sands, as we may wish to term them, with a duty of \$4 a ton. In my State, for instance, the plants were started up. Those plants had

commenced operations when in January, 1923, the Treasury Department ruled that there was no duty on Belgian sand, although the silica sand shipped from Belgium was 98 per cent silica. The Treasury Department further sustained that decision by stating that sands were expressly included in the free list of the act of 1922, which is true. No one wants any duty on ordinary sand, because ordinary sand is constituted of all kinds of minerals, depending upon the rocks that have disintegrated. Ordinary sands are used in cement and concrete and plaster and things of that kind, and as the Tariff Commission stated, it is immaterial which kind of sand is used in those products. But silica sands or glass sands, which are sands rich in silica, are too valuable to be used except for the one purpose, and that is for the making of glass.

Since January, 1923, although Congress had passed an act to stimulate the industry in the production of silica sands or glass sands in the United States there has been no duty applied and the industry has lain dormant. The House has again reenacted the duty of \$4 a ton, but it does not make the correction in the language which will make the duty applicable. Therefore, in the amendment which I have offered I have proposed to change the language in some respects. In the House bill in 1922 they used the word "crude"—"silica, crude." What did they mean by "crude silica"? There is no doubt about what they meant by "crude silica." They meant silica as found in its natural form. It could not mean anything else. The natural form in which silica is found is in quartz as ground up and furnished by nature in a form which is commonly called sand. That is what the Congress meant. If it did not mean that, then there was no question before Congress, because there were no importations of anything else except "crude," there were no importations of anything else except "sand." The idea of stating that sand containing 98 per cent silica was not crude silica would be foolish. Taken in connection with the express provision in the free list that sands should come in free, where it is expressly said that sands shall come in free, therefore we can not treat silica sand as ordinary sand.

The change I propose is this: I define the word "crude" by stating that "crude, or any material consisting of more than 90 per cent silica, silica sands imported for glass manufacture." That is the definition I have given crude. Of course, if the amendment is adopted so as to harmonize the whole proposition, then in the free list where sand is placed on the free list we will have to say "except sands imported for the manufacture of glass and sands containing more than 90 per cent silica."

Mr. BARKLEY. What duty does the Senator fix on silica sand?

Mr. PITTMAN. I make no change in the House provision.

Mr. BARKLEY. So it would be \$4 per ton?

Mr. PITTMAN. Yes. My whole effort is to try to carry out the original intent of Congress in 1922 and its undoubted intent in the bill now before us.

Mr. BARKLEY. If the Senator will yield again—

Mr. PITTMAN. I yield.

Mr. BARKLEY. I notice that in 1922 glass sand was imported to the extent of 1,100 tons, in 1923 there were 2,000 tons, and the importations ranged to 9,522 tons in 1927. Then in 1928 the importations jumped to 38,049 tons, as compared with a domestic production of over 2,000,000 tons of the glass sand, and that the value of the imported glass sands was less than \$1 per ton, the 38,000 tons being valued at \$35,000.

I am wondering why the Senator attempts to put a tax of \$4 a ton on sand that is valued at less than a dollar a ton, which would be something in the neighborhood of 500 per cent.

Mr. PITTMAN. The question is the difference in the cost of production at home and abroad and the costs of delivery in the markets. Here is the situation in that respect: The competitive points are on the Pacific coast. Belgian sands are delivered at such points for four or five dollars a ton. Similar sands from Nevada, Oregon, and New Mexico can not be delivered at such points for less than \$9 per ton on account of high cost of mining and transportation. A duty of \$4 a ton is necessary for competition.

Mr. BARKLEY. According to the Summary of Tariff Information, the amount of glass sand produced in 1926 was 2,250,000 tons; in 1927, 2,000,000 tons; and it ranges up to nearly 2,500,000 tons, but back in 1919 it was 1,827,000 tons. I appreciate and sympathize with the Senator's proposition, but I am wondering whether we are justified in putting a \$4 tax on 38,000 tons of sands that come in to compete with more than 2,000,000 tons of our domestic production.

Mr. PITTMAN. The 38,000 tons does not compete with the 2,000,000 tons produced and used in the East. It goes to the Pacific coast and must compete with local glass sand only.

Here are some facts shown to the Ways and Means Committee: In South Carolina they were trying to find a market for their sand. The sand which they had was 98 per cent pure silica. It was just exactly the same kind of sand as Belgium sand. What happened? Let me show the facts in the matter. This was in 1928 and in 1929. The concern in South Carolina to which I refer was trying to place its sand. Let me read a letter from one of these parties, as follows:

SAN FRANCISCO, January 14, 1929.

Messrs. WILLIAM M. BIRD & Co.,

Charleston, S. C.

DEAR SIR: We acknowledge your favor of 8th instant, inclosing copy of analysis which you had made on the sample of silica sand which you sent to us.

While the analysis is quite satisfactory, we regret to advise that owing to the fact that the duty has been lifted on Belgian silica sand we will not be able to interest buyers here in your commodity.

We note that your price is \$1.80 and the steamship company's rate is \$4.25, making the price landed here \$6.05 per 2,000 pounds, which is entirely out of line with the price which buyers are paying for Belgian silica sand delivered to their plants here.

We thank you for your favors, and should a duty be put on Belgian silica sand at some future date we will communicate with you again.

Yours very truly,

BALFOUR GUTHRIE & Co.,
Per J. DOSWALD.

That is from a big San Francisco buyer of glass sand. We will take one more addressed to the same party:

JANUARY 23, 1929.

WILLIAM M. BIRD & Co.,

Charleston, S. C.

GENTLEMEN: We very much appreciate your quotation for sand, ex shipside Charleston, but at the present time we have a contract which precludes our buying tonnage other than Belgian sand.

Of course, our future contract in this material will be greatly governed by whether Belgian sand remains on the free list as at present, and should there be any change in its present status we would be glad to get in touch with you again.

Respectfully,

PHILADELPHIA QUARTZ CO. OF CALIFORNIA,
By A. W. ELKINTON, General Manager.

There are numerous letters in the hearings, and I am showing that the buyers of glass sand are buying from Belgium, and it can not be shown that they are buying anything else. Another letter reads as follows:

NOVEMBER 26, 1928.

WILLIAM M. BIRD & Co. (INC.),

Charleston, S. C.

(Attention: James M. Hagood.)

GENTLEMEN: Thank you for your letter of November 16 quoting us on sand from Dixiana, S. C.

The matter of our sand supply is of vital interest at present, and we are awaiting the receipt of your sample with interest. You realize, of course, that Belgian sand is suitable for our use and that unless an import tax is imposed we will probably continue to use this material, as the quality is right and the price below that of any quotations we have had submitted to us as yet.

Thanking you for your letter, we remain,

Very truly yours,

PHILADELPHIA QUARTZ CO. OF CALIFORNIA,
By A. W. ELKINTON, General Manager.

The analysis of that sand in which the Senator might be interested is as follows:

Silica, 98.15 per cent; aluminum, 1.22 per cent; magnesium, trace; volatile and organic matter, 0.36 per cent.

That is the situation. In every effort to sell the same kind of sand as the Belgian sand, the seller is met by the answer from the buyers, that if they can get the Belgian sand free of duty it is cheaper. Of course, it is cheaper. Why is it cheaper? The scale of wages and everything else is lower in Belgium than in the United States. The Belgian miners are paid about \$2 a day, while miners in this country are paid \$5 for eight hours. I will say right now that we do not desire to change that standard. Personally, I would rather they had never opened up a silica mine in the State of Nevada than have the wages of miners go down to \$2 a day; and they never will do so.

That, however, is not all. According to the testimony, the foreign producers of sand ship it from Belgium to Los Angeles and San Francisco for \$2.25 a ton. That is the testimony which I think stands undisputed; and yet one can not ship by water from Charleston, S. C., to Los Angeles or to San Francisco for less than \$4.25 a ton. In other words, it costs twice as much to ship by water alone from any Atlantic seaport to any Pacific seaport as it does to ship from Belgium clear across

to a Pacific port. So we have the two items; we have the item of Belgian wages, which are about one-half what they are in the mines of this country; and we have the transportation cost, which is twice as much in our case as in the case of Belgium.

Then there is, in addition to that, the railroad rate. The market for this product, of course, is the glass works. We are shipping glass sands to-day from Nevada to Los Angeles. The cost of doing so is \$5 a ton per shipment as against \$2.25 a ton from Belgium. The cost of loading on cars here is twice what it is for loading in Belgium. The cost for distribution of the product after it is unloaded from the cars here is twice what it is in Belgium. Every cost of handling the sand is at least twice as much in the United States as it is in Belgium.

The Senator from Kentucky [Mr. BARKLEY] has asked me why on a product whose original cost in Belgium is, we will say, only a dollar a ton, we should have a duty of \$4 a ton? It is not a question of the original cost entirely. There is involved also the question of the cost of delivery at the plant that uses the sand. The glass works buy their silica sand, as a general thing, delivered. All the testimony we have taken demonstrates that. While the original cost of the product, we will say, in Belgium for Belgian sand is only a dollar a ton, when we in this country come to ship an article like sand naturally the cost of transportation is proportionately very much higher than it is on a high-priced article. In other words, one could ship an article that originally costs a hundred dollars for the same price that he could ship an article which originally cost \$1.

It is not the original cost that makes the difference; it is the delivered price. Of course, when one takes an article the original cost of production of which is only a dollar—I am now directing my remarks to the Senator from Kentucky [Mr. BARKLEY] in answer to his question—I say when one takes an article the original cost of the production of which at the mine is only a dollar and speaks of placing a duty of \$4 on it, it looks like a duty of 400 per cent on the product; but that is not the measure of the necessity of the tariff. Let me say to the Senator that if a tariff rate is to be based upon the plank in the Democratic platform, it was to be sufficiently high to permit a natural domestic industry to exist. I believe in that. I think the Democratic Party in its last platform clearly stated that principle.

The question is, Is the production of silica sand in this country a natural industry? The Tariff Commission has admitted that it is. As a matter of fact that sand is being sold. It is not the cost at the mines that makes the difference; it is the cost at the mine considered in connection with the cost of transportation and delivery. This measure of a tariff duty has already been adopted in this act.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Kentucky?

Mr. PITTMAN. I yield.

Mr. BARKLEY. I am assuming that all the Belgian glass sand that comes into this country comes in at San Francisco. Is the Senator able to tell us what is the railroad transportation on the Nevada glass sand from the mines to San Francisco?

Mr. PITTMAN. The producers of that sand are shipping now to Los Angeles, but I imagine that the rate would be quite similar. I understand that the rate of transportation to-day from the mines to Los Angeles is \$5 a ton. That, I am informed, is the rate which prevails. I think, however, that that is the lowest rate that we have of any shipment of ore or any rock, or anything else, in the West. The shippers are paying, for instance, \$12.50 a ton to ship hay from Nevada to Kansas City. I am merely using that as an illustration. The railroads, however, are attempting, mind you, to stimulate this interior industry, and they have given a rate of \$5 a ton; but when we get down to practical mining in that section of the country, I will say to the Senator from Kentucky, we have this situation: The mining costs there are the same as the mining costs everywhere else in the West.

Mr. BARKLEY. Is it the Senator's theory that a tariff based on the cost of production at home and abroad should be calculated on the cost of producing the article at home and abroad, or should that cost include the railroad transportation from the point of production to the point of consumption?

Mr. PITTMAN. I think it is absolutely essential, if we are going to equalize conditions of home production with foreign production, to take into consideration the cost of delivery at the market, wherever that may be. This principle has already been adopted in this act.

Mr. BARKLEY. The price for the domestic product in the United States is about \$1.50 a ton. The glass sand produced in 1927 amounted to 2,000,000 short tons, and its value was \$3,000,000; so that, according to those figures, it was worth

about \$1.50 a ton. I am wondering just how we would be justified in putting a \$4 tax on importations of the same article when the domestic price is only \$1.50 a ton.

Mr. PITTMAN. While the domestic price in the East is only \$1.50 a ton, it is evident that the domestic article can not be sold for \$1.50 a ton plus 10 per cent. It is evident that the cheapest that the producers can sell it for in this country is eight or nine dollars a ton.

When a glass-manufacturing concern owns its own sand and delivers that sand to its own mill, of course, the transportation cost in that instance is very much less, as such works are close together; but Belgian sands are being sold in Los Angeles and San Francisco to-day for from five to six dollars a ton, and the American sand can not compete with that price.

Mr. EDGE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from New Jersey?

Mr. PITTMAN. I yield.

Mr. EDGE. The problem, as I recall, which confronted the subcommittee, of which the Senator from Kentucky was a member, was this: The facts presented by the Tariff Commission, which are not disputed, as I understand, showed that the total imports are less than one-third of the domestic production, or about 38,600 tons, as compared to a domestic production of in the neighborhood of 2,000,000 tons. It is well known that the Treasury Department made a ruling some time back—I do not recall the date, but it has been in effect for a long time—making a distinction in the case of glass sand, and putting it on the free list. So it has been on the free list for some time. If the price is so much lower, I can not understand why the imports have not increased beyond 38,000 tons. What moved the committee to continue it on the free list, where it already is, was the ruling of the Treasury Department and also the small quantity of imports.

Mr. PITTMAN. Imports only go to the Pacific ports. The eastern silica industry can compete with Belgian sands, because most of the glass works are in the interior, while the glass works of the West are on the coast. Mr. President, I do not know what the imports are in the eastern portion of the United States.

Mr. SIMMONS. Mr. President, may I ask the Senator from Utah a question in connection with this subject?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from North Carolina?

Mr. PITTMAN. I yield.

Mr. SIMMONS. It appears that the imports of silica are nominal.

Mr. SMOOT. Yes; less than 1 per cent of domestic production. In 1927 the imports were about 9,000 tons, while 3,000,000 tons were produced in this country. In 1928 the imports were in the neighborhood of 38,000 tons.

Mr. SIMMONS. How much silica sand was imported?

Mr. SMOOT. That is what I am talking about.

Mr. SIMMONS. As I understand, there is nothing about silica sand in the document to which the Senator referred me a little while ago. I understood the Senator from Nevada was taking the position that silica sand was imported in large quantities and that it was a character of sand the content of which was 98 per cent silica, and therefore such sand in a very practical sense is a competitor of silica. Am I correct about that, I ask the Senator from Nevada?

Mr. PITTMAN. Yes.

Mr. SIMMONS. The Senator from Utah says there are no silica sands imported.

Mr. SMOOT. I say the importations are about 1 per cent of the domestic production.

Mr. SIMMONS. But is not the Senator speaking of silica?

Mr. SMOOT. I am speaking of silica sand, glass sand; I am speaking of glass sand, and as I understand that is the kind of sand the Senator asked me about.

Mr. SIMMONS. There is a difference between the raw material and the manufactured product; silica is pure, is it not?

Mr. SMOOT. Under the present law 98 per cent is so regarded.

Mr. SIMMONS. The Senator said there was a sand imported that contained 98 per cent of silica in large quantities?

Mr. PITTMAN. That is the Belgian sand.

Mr. SMOOT. That is the Belgian sand.

Mr. SIMMONS. The Senator from Utah says there are practically no importations of that kind of sand.

Mr. SMOOT. I say that, while in 1927 there were 3,000,000 tons produced in the United States, there were only 9,000 tons imported, the exact figure as I remember being 9,400; and in 1928 there were thirty-eight thousand and odd tons imported. That is all that has been imported and that has all

gone either to Los Angeles or to San Francisco by tramp steamer.

Mr. SIMMONS. Does the Senator from Nevada agree to that statement?

Mr. PITTMAN. According to the Tariff Commission report, in 1928 of glass sands the importations were 38,649 tons.

Mr. SMOOT. And the year before they were 9,000 tons?

Mr. PITTMAN. The year before they were 9,000 tons. So there was an increase from 1927 to 1928 of nearly 30,000 tons; in other words, the increase in the importations between 1927 and 1928 was four times.

As a matter of fact, this duty was intended chiefly for the protection of the silica-sand deposits of the West. We know that to be a fact. It was intended to protect them because the great glass works of the East, which largely own their own deposits, are going out to San Francisco and Los Angeles, in California, and establishing glass works there. They are increasing production at a tremendous rate. Why is that? By reason of the fact that in one year, from 1927 to 1928, the importations were 400 per cent. The matter now has become a matter of interest out there. Why is it a matter of interest? Because until recently there was no market for the silica sands of the West, because, in the first place, we could not ship them here to the East coast points by railroad transportation. It was impossible. In the very nature of things, an industry of raw material which is low in value and high in cost of transportation can not move a great distance. That is evident. But we now have the establishment of these great glass works on the Pacific coast. They have within three or four or five hundred miles of those plants an unlimited quantity of silica sand of the same grade as the Belgian sand. Now, the question is, Are we going to permit that Belgian sand to be shipped as ballast to the Pacific coast at one-half of the freight rate that is charged from Charleston, S. C., to the Pacific coast, even by boat? Are we going to place a tariff duty of 45 per cent on manufactured glass, and then attempt to hold to the same old eastern proposition of having all raw material free?

That is the thing that is at issue here all the time in this fight. There is no question about it.

Now, let me call attention to what a tariff of 45 per cent on glass manufactures means. A ton of silica sand will make from \$250 to over \$2,000 worth of manufactured glass. The manufacturers object to putting a duty of \$4 into that ton of glass, worth from \$250 up to over \$2,000. Every time we are talking about a raw-material industry they stand here with a microscope and say, "Well, now, what is it going to cost?"

I want to get down to that. What is it going to cost?

I say to you that if we put this duty on glass sand and it sells for \$8 a ton, the additional cost will be in the proportion of \$8 to a total cost varying from \$250 up to \$1,000, according to the kind of glass made out of that sand; and, mind you, in addition to that, these same glass manufacturers who are in competition with the manufacturers of glass in Belgium say that they must have a duty of 45 per cent up to 71 per cent on some kinds of glass, or they can not compete with Belgium. In fixing the tariff on manufactured glass they take into consideration the transportation costs to market, the same as I now request.

Mr. SHORTRIDGE. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from Nevada yield to the Senator from California?

Mr. PITTMAN. I do.

Mr. SHORTRIDGE. I understand that this sand—silica sand, glass sand—is found in vast quantity in the Senator's great State of Nevada; and I understand he claims that its quality is such as to be acceptable to the glass factories in the adjoining States.

Mr. PITTMAN. I have read that testimony.

Mr. SHORTRIDGE. Yes; and the Senator's immediate amendment seeks to carry out the House provision, so as to make it effective—

Mr. PITTMAN. That is all.

Mr. SHORTRIDGE. So that on the so-called glass sand coming from Belgium there shall be imposed a duty of \$4 per long ton. Is that correct?

Mr. PITTMAN. That is correct. In Charleston, S. C., where they have a plant, we have the testimony which I have just read that they have ceased to buy any of the domestic glass sand, and will not buy any of the domestic glass sand on the Pacific coast, because they can get the sand cheaper from Belgium than they can from Charleston, S. C.

Mr. SHORTRIDGE. They have deposits there in South Carolina, have they?

Mr. PITTMAN. They have.

Mr. SHORTRIDGE. In quantity and quality?

Mr. PITTMAN. They have; and the analysis is satisfactory, and everything is all right.

As a matter of fact, the eastern part of the United States is not very much affected by this matter. It is very little affected by it, because, as I say, it is almost impossible to transport a cheap material like sand over long, expensive, railroad hauls. Consequently, it really has a market only with the glass factories in the vicinity.

Now, let me estimate this thing for just a minute.

The cost of production of glass sand in any of the mines of the West would be proportionate to the cost of mining copper in porphyry deposits. That cost of mining those materials would be in the neighborhood of \$1 a ton. The cost of quartz mining is probably four times as much, but I am putting that aside. The cost of transportation to the washing plant—and there is bound to be a washing plant in connection with all of them, so as to get the clay and everything else out—is 50 cents a ton. The cost of washing the sand is 50 cents a ton. You have \$2 a ton as the actual cost of this material loaded on the cars. You have \$5 transportation to the glass works at Los Angeles and San Francisco. You have \$7 right there. The undisputed testimony is that they can lay down this sand, and are laying it down from Belgium now, at \$5.50 a ton. We assume that the Belgian producers are making some money on it; and yet they make a profit on delivering it in Los Angeles and San Francisco from Belgium at \$5.50 a ton, while the actual cost of mining and delivering the same kind of domestic sand, 98 per cent pure, at the same glass works in Los Angeles and San Francisco, is \$7 a ton.

In any event, the House, after considering this matter in 1922, and after giving full hearings to the matter, found that \$4 a ton was an essential rate to build up the industry in this country. The matter came over here in 1922 and the Finance Committee did the same thing. They approved it, and again this year the same thing was done. Unfortunately, the fact was not called to the attention of the House that the words "crude silica" did not include sand, although the sand is 98 per cent silica.

We are just in this position, as far as the presentation of this matter before the Finance Committee of the Senate was concerned: I have read the hearings. The only testimony given before the Finance Committee of the Senate that I can find—and I have looked through all of it—was the testimony given by a lawyer who knew nothing whatever about it except this construction of the act that I am telling you about by the Treasury Department, which held that 98 per cent sand was not silica. When he was asked questions as to other things, he said he knew nothing about them; and yet he was the only witness who testified before the Finance Committee.

Now you have this situation: You have the testimony before you as to the cost at which Belgium is now placing sand at the works in California. You have the testimony before you as to the cost of production in the United States. It is evident that those concerns can not make any reasonable profit without a \$4 duty. If you want those industries to start up in the South and the West where these deposits exist—and they exist throughout the West and in many places in the South—you will have to place this duty upon Belgian sand.

My view of the matter is this—and I have tried to be consistent through the consideration of this whole tariff bill—that is, that we should provide a tariff duty that will permit any and all of our natural industries to compete successfully with any similar foreign industry.

Mr. SHORTRIDGE. Mr. President, if the Senator will further indulge me—

Mr. PITTMAN. I yield.

Mr. SHORTRIDGE. The Senator is making a very persuasive, and it may be convincing, argument in favor of his amendment. He proceeds along the same line as the Senator from Georgia [Mr. GEORGE] yesterday in urging an adequate tariff on kaolin or china clay, a product of Georgia, North Carolina, Florida, and certain other States. In other words, I understand that the Senator from Nevada is arguing in favor of an adequate protective tariff on silica or glass sand, and I hold to the theory which he is advancing. But I wish to add, not in criticism, or with any wish to embarrass the Senator—

Mr. PITTMAN. It does not embarrass me.

Mr. SHORTRIDGE. I regret that the Senator from Nevada did not hold to that theory a few days ago when California was urging certain rates on certain of her products. As I now understand the Senator, he is seeking to apply the protective theory to this particular industry, even though limited in its territorial scope, to a natural product which exists in large deposits in the State of Nevada; and I understand he has argued that Nevada, as other States, will be helped by

putting on this duty, and that it will not injuriously affect or to any material extent oppress any other industry, namely, the glass manufacturer, who has asked, and I think properly secured, protection as against his competitor, the foreign glass manufacturer.

In that situation I am quite in accord with the Senator. If he will further indulge me, will the Senator apply this same philosophy, this theory of legislation, in respect of certain agricultural products of Idaho or Oregon or New Mexico or New York when we come to consider them? I hope he will.

Mr. PITTMAN. Mr. President, there have been certain gibes from the other side of the Chamber every time a Senator on this side supported any tariff duty, as though he was violating some principle or some policy or some theory.

When the distinguished Senator from North Carolina opened the debate on this tariff bill on behalf of the Democratic side, he laid down the principles of the party that govern our action with regard to all the items in this bill. I think Senators should listen to it again, and I want the two or three free traders on our side of the Chamber who still exist to listen to it also. The Senator from North Carolina [Mr. SIMMONS] on September 12, 1929, as reported on page 3542 of the CONGRESSIONAL RECORD, said:

The Democratic Party, on the other hand, has advanced from the old theory of a tariff for revenue only, to the theory of a competitive tariff. Whatever may have been the former Democratic formula for measuring tariff duties or whatever may have been the interpretation of the meaning of that formula by its tariff legislation, the Democratic Party of the present day stands for a competitive tariff. That is the last declaration of the party upon this question. That declaration is the law of the party and with it I am in hearty sympathy. The Democratic platform declaration of 1928 is in the following language:

"Duties that will permit effective competition, insure against monopoly, and at the same time produce a fair revenue for the support of government. Actual difference between the cost of production at home and abroad, with adequate safeguard for the wage of the American laborer, must be the extreme measure of every tariff rate.

"Safeguarding the public against monopoly created by special tariff favors.

"Equitable distribution of the benefits and burdens of the tariff among all.

"Wage earner, farmer, stockman, producer, and legitimate business in general have everything to gain from a Democratic tariff based on justice to all."

After stating that the Senator from North Carolina, who was so correctly and forcefully declaring the principles upon which the Democrats were acting on this tariff bill, further said:

A competitive tariff necessarily involves the question of what shall be the measurement of competition. The platform of the Democratic Party has specifically prescribed that measurement to be the actual difference in the cost of production at home and abroad and declared that that measure should be the extreme limit of every tariff rate.

All taxes of whatever character ought to be based upon some definite and fixed principle, and especially is this true of tariff taxes, because of their insidious nature, collected from the great mass of taxpayers, without their knowing it, in the prices paid for the things they purchase from day to day, aggregating, not thousands, not millions, but billions of dollars a year, taken from the pockets of the people, sometimes in dribbles, sometimes in wads, not on account of the intrinsic value of the articles they purchase, but because of the tariff taxes upon them.

Whatever uncertainty and vagueness exists about the Republican measure of tariff protection there is none about the Democratic measure. The law of the party speaks in a language that can not be misunderstood. It applies to all industries alike, and alike to raw materials and finished products. I do not want, and the Democratic Party does not want, to see any American industry swamped by foreign competition, but it does not wish to build a wall around this country so high as to practically shut off importation of foreign products and at the same time cut off or unduly restrict the exportation of American products; that would be alike unjust to the domestic producers and consumers and inimical to the national welfare.

In fixing the spread between foreign and domestic cost of production the comparison should be made with industries in this country that are efficiently and economically managed, and not with industries that are inefficiently and uneconomically managed. To impose the rate upon the basis of the cost of production of the inefficient units in industry would be penalizing the whole people because of mismanagement or lack of foresight in properly equipping themselves to meet competitive conditions.

Between a competitive tariff such as that declared for in the Houston platform and a prohibitive tariff such as that provided for in the pending bill there is an unbridgeable gulf. A prohibitive tariff practically excludes foreign competition; a competitive tariff allows importations when the American price is, by combination or otherwise, raised above the level of a fair and reasonable profit to the producer, and thereby

protects the consumer against excessive or exorbitant prices and discourages monopolies.

Mr. President, I concur in every single, solitary statement contained there. I think it is the clearest and most forceful pronouncement we have heard in years. I think it is in exact accord with the platform of the party. If I vote against an item of protection in this bill, it will be because I believe that it goes beyond the necessities of reasonable prosperity under competition, and tends only to unnecessarily increase profits to the protected and costs to the consumer. That will be the measure in my mind of every item I vote on in this bill, and if, when this legislation is finally completed and submitted for a final vote, it substantially measures up to that character of legislation, I intend to vote for it.

I have in mind just one other thing that the Republican majority, or a great many of them, seem to forget—that is, that the producer of raw material which the manufacturer uses is engaged in a legitimate business in this country. We know that to be a fact. We hear time and time again here the complaint that "If you place a duty on the raw materials, the duty has to be carried into the manufactured article, and it will add to the cost of the article to the people of this country."

Think of the hypocrisy of the thing, a duty of 45 per cent on glass that sells for from \$250 to \$2,000 a ton, and complaining against a duty of \$4 a ton on silica that goes into it. The ton of silica, even if we put the duty on, and add it to the cost of mining, would not cost in excess of \$9 a ton. You increase the cost \$4 by putting a duty on the raw material. You complain about adding that \$4 to the price of a ton of glass, and yet you add 45 per cent to the price of the ton of glass, made out of the ton of sand, which glass sells to the public for from \$250 to \$2,000 a ton. That character of hypocrisy is a matter that is to be complained of.

Mr. SHORTTRIDGE. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. SHORTTRIDGE. Of course the Senator is not making an argumentum ad hominem, but in discussing this item is seeking to put into operation or effect a certain policy. I rise not to delay the Senator, or to divert him from his logical argument. Perhaps I am justified in observing that the term "competitive tariff" is not so definite, clear, and certain as the Senator would have us believe it to be, and that the phrase used by the distinguished Senator from North Carolina, namely, "a prohibitive tariff," is not so definite and clear and certain as he assumes it to be. I think a better phrase to be used is "an adequate tariff," an adequate rate of duty on any article which would give advantage and protection to the American producer, be he agriculturist, miner, or manufacturer.

As to what is or is not a "raw material," for example, the tree standing in the forest is a raw material, but it ceases to be a raw material the moment the hand of man is applied and it is converted into lumber. The ore in the depths of the mines of Nevada or California is raw material, placed there by nature, but it ceases to be raw material when man takes hold of it.

I am not advancing anything contrary to the presently expressed views of the Senator from Nevada. Now, there is such a thing as an infant industry, and it may seem to be inconsequential; but if soil and climate and men are able to develop that little, toddling infant into strong manhood, I want a tariff rate which will protect that infant and bring about that desired development or result. I am not charging the Senator with any inconsistency in voting, but I am urging that, whether we walk under Democratic or Republican or other banner, we should seek to develop American industry, mining, agricultural, manufacturing by imposing adequate tariff duties, protecting thereby the miner and the farmer and the manufacturer as against the competition of men similarly engaged in cheap-labor countries, all to the end that we may preserve our standard and level of life and living in America.

As to this particular item, I am aware and the Senator is aware that certain glass factories in my State perhaps are opposing this rate on Belgian foreign sand; but how can I ask the Senator from Nevada or the Senator from Maine to join me in a tariff on olive oil, on figs, on dates, on the many farm products of California which are not raised in their great States, and then turn my back upon an appeal from Nevada when she is asking for protection?

Mr. PITTMAN. Mr. President, this is not simply an appeal from Nevada. The Senator's own State, in the southern part of California, has vast deposits of silica sand equal to the Belgian sand.

Mr. SHORTTRIDGE. I understand that also.

Mr. PITTMAN. And yet sand is being shipped from Belgium to-day to points within 200 miles of those same deposits in California.

Mr. SHORTTRIDGE. I know that, but there is some question, I must admit, as to the quality of our sand in California.

Mr. PITTMAN. I do not know of it.

Mr. SHORTTRIDGE. I am sorry to have to make a halfway admission, but there is some question as to the quality of our sand. I understand that Nevada's sand, however, is free from certain ingredients which makes it proper for high-grade glass manufacture.

Mr. PITTMAN. Mr. President, there would appear to be very little difference in the desires of the Senator from California and myself.

Mr. SHORTTRIDGE. There is no difference in our desire to develop American industries; but let it be ever remembered that I am a protective-tariff man; I believe in that doctrine and would carry it into effect.

Mr. PITTMAN. The Democratic Party has announced its doctrine, which I have just read. While there may be different constructions as to what is competition and what is not competition, and as to what constitutes an embargo and what does not constitute an embargo, still the description of the Democratic principle as laid down by the Senator from North Carolina is about as clear as I could possibly state it, and therefore I read it. It is much clearer than I could state it.

Mr. SHORTTRIDGE. The great speech of the senior Senator from Louisiana [Mr. RANSDELL] the other day, too, was worthy of consideration.

Mr. PITTMAN. I had the honor of assisting in drafting the Democratic platform that contains the plank which I have just read, and I have in mind, as I had in mind then, this provision, "Equitable distribution of the benefits and burdens of the tariff among all."

There is no doubt—and I do not say this in a spirit of criticism—that the Republican theory of protection was born in the desire to stimulate manufacturing industries. It was considered as the aid and the protector of manufacturing industries. It has been jealously guarded by those who represented in Congress that section of our country where those great institutions grew up, and in going down through the years, it has been felt that it was necessary for them to get their raw materials as cheaply as possible, so as to encourage those infant manufacturing industries as well in that way as by a tariff duty cutting off disadvantageous competition from abroad.

It has been expressed in the debates on the tariff bill time and time again, that if we place a duty upon a raw product to be used by a manufacturing concern, it would not be good for the industry. But the industry that was in mind when that statement was made was the manufacturing industry and not the industry engaged in the production of the raw material. It has been stated again and again that to place a duty on the raw material would make the manufactured product cost more to the people of the country. The thought was about the little added cost to the raw material, but that was never found to be an objection to adding a very much higher duty to the cost of the manufactured article.

Mr. FESS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Ohio?

Mr. PITTMAN. I yield.

Mr. FESS. I think the Senator is making an accurate statement, but I do not think he goes far enough. I think there is more included in the Republican policy than his statement would indicate. From the beginning we have urged the stimulation of manufactures in legislation more than anything else on the ground that as we build up an industry which, for a specific example, is not agricultural, we create a home market for agriculture that otherwise would have to depend upon a foreign market to that degree, stimulation of manufacturing is profitable to agriculture. That is one fundamental principle of our party.

On the other hand, there has been some hesitancy about laying a tariff upon raw material. The Senator will recall that that was fundamental in the Roger Q. Mills bill away back in 1887 and also that our much lamented and beloved Champ Clark had taken the position that raw material ought to be on the free list. That was fundamental with him. However, the Republican policy has been to protect raw material wherever the production of it is interfered with by the foreign competition, including the farmer.

So I think when the Senator said the Republican policy has largely applied to manufactures, there is truth in it, but I do not think he is right in indicating that the Republican policy is against enacting a tariff on raw material. However, he is correct in the statement that where a tariff is applied on raw material there is a demand for a compensatory duty on the finished product to meet that protection. I think that is a statement which is an accurate one.

Mr. PITTMAN. I did not intend to state that it was the declared principle of the Republican Party to have raw materials on the free list. I stated that the very development of the protective theory led to that sentiment. It is a sentiment. As a matter of fact, it is very difficult for us to exclude the selfish element in the consideration of the tariff. The manufacturer is trying to increase his prosperity. He tries to increase it in two ways, by selling higher and buying cheaper. That is the natural situation.

Mr. FESS. If I know my own mind I would vote for protection on an article that is produced in Nevada just as quickly as I would if it were produced in Ohio. If I know my own mind that is true. The locality or the geography cuts no figure with me at all.

Mr. PITTMAN. I do not doubt that the Senator would try to do that. I do not charge that the principles to which I have referred do not extend to all industries. Nevertheless, when we announced in the Democratic platform for the equitable distribution of the benefits and the burdens of the tariff amongst all, we had in mind at that time that hides and other raw materials had always been on the free list. We looked through the free list and we saw that all of those things which were produced or could be produced out in the country, in the mountains, in the valleys, in the mines, were largely unprotected, while the very men who were attempting to carry on those industries were participating in the support of the great manufacturing industries centered in the natural points in the East, by paying an extra price for their products wherever it was necessary for the purpose of maintaining those industries.

Mr. FESS. Mr. President, will the Senator yield again?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Ohio?

Mr. PITTMAN. Certainly.

Mr. FESS. I do not have any hesitancy at all in voting for a duty on hides. It seems to me that the protective element or the philosophy of protection would justify that vote in that it would encourage cattle raising, and it might be and I think it would be a benefit to the producer of hides. I have the thought, though, that if we put a tariff on hides we would be justified in voting a compensatory duty on the article made from the raw material. That would be my theory. However, since there seems to be a conviction that there ought to be a protection on hides I have fully decided in my own mind to vote for a protection on hides, no matter what would be the compensatory duty or whether any at all. In other words, I think that hides offer a very good item for a protective argument.

Mr. PITTMAN. Compare it with the situation we have now. It appears that in 1922 the Ways and Means Committee of the House, considering the silica industry of the country, found that in places there was strong competition with Belgian silica sand. It evidently was desired to stimulate the silica-sand or glass-sand industry in this country, principally dealing with the West because these sands out there can not be shipped any long distance. So they placed a duty of \$4 a ton on silica and crude silica. But after collecting the duty for about six months the Treasury Department then held that crude silica did not include silica sand from Belgium, although that sand is 98 per cent silica and although the duty was put there for the very purpose of meeting the competition from that particular sand, because there were also in the free list "sands free." The result was that there was no duty attempted to be collected on silica sand from Belgium.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. PITTMAN. In just a moment, when I shall have finished the thought I have in mind. There was no duty collected on it. Out in the western country, where the competition is with Belgian sand, water-shipped from Belgium at a little over \$2 a ton to that point, those industries could not continue. They started up during the period of the application of the tariff duty on Belgian silica sand, and then stopped. They are unable to get any contract for the sale of sand at a price above \$5.50 a ton out there, which is not a price that will allow them to operate. In fact, they could not operate at a profit at a less price than \$9 a ton, including the \$5 shipping rate on the railroads. As I said, \$5 is about \$5 cheaper than any other kind of raw material is shipped for, because they are trying to start upon that industry.

Glass works have started on the Pacific coast. It is only a regional industry out there, but they have started with the purpose of supplying that section with glass from their local factories. The demand for silica in the form of silica sand is rapidly increasing. In fact, it has increased from about 9,000 tons in 1927 to about 39,000 tons in 1928. While the market is not very large for silica sand out there, the market will be exceedingly large for the sand at the rate at which the glass factories are increasing their demand. The question is, Shall

the great sand deposits of that section of the country, where the analysis shows them to be just as good as the Belgian sands, be allowed to be made use of? We have one concern now that has been in operation for some time, and it only operates because it is under contract. It can not operate when the contract ends. Their sand is just as good as the Belgian sand, but unless a duty is placed upon the importations of Belgian sand those plants can not operate. There is no question about that, because the condition is right there. The mining costs and the transportation costs are there. If we put on the proposed rate, it will add \$4 a ton to the cost of glass. The compensatory duty has been carried in the 1922 act and in the present bill.

Mr. FESS. The question on which I would like to have the Senator give me light is as to the cost of transportation from the mine to the place where the sand is to be used, and whether it is prohibitive.

Mr. PITTMAN. As I said, the rate that is offered now to this little concern that is trying to operate in Nevada is \$5 a ton to the glass plants. The cost of mining and loading and unloading makes the total actual cost of operation, which does not include overhead or depletion nor taxes nor anything like that, \$7 a ton.

Mr. FESS. What is the capacity to supply our needs without depending upon the Belgian output?

Mr. PITTMAN. The geological reports show enormous deposits of this high-grade sand. Wherever we have found rock, as the Senator very well knows, of a volcanic origin that contains a great deal of silica, the silica being a very hard rock and almost impervious to the action of water and the atmosphere, in the breaking up and disintegration of that rock the other materials in the rock wash away in the form of clay soil, and we have a residue of white sand called silica sand. Throughout the entire United States there are deposits of that kind. Greater deposits will be found in a volcanic country, although in a granitic country a great deal of it will be found. Of course, the so-called perfect deposit depends apparently upon almost perfect conditions; but there are in New Mexico enormous deposits of what they call white sand. It was endeavored to put that section of the country into a park because it is so beautiful. There are great deposits in California and Nevada and other Western States.

If we apply this duty, it may be said that it will add \$4 a ton to the cost of glass; but there is hardly any glassware that sells for less than \$250 a ton and up to \$2,000 a ton. I do not think that will be any tremendous added burden on the people of the country. On the other hand, if we start up little industries here and there throughout the country, where the population is not very great and where the transportation facilities are poor, the result will be that we will not only give added employment to the men who like to engage in this industry but we will be furnishing a local market for all of the farmers in that section of the country.

I may say that there are certain sections of this country like my own State and like the whole broad West where the distances and obstructions are great and transportation is scarce and high; where the farmer can only attain a proper degree of prosperity when there is a local market for his produce, as the farmers of the eastern section of the country find a local market for their products. What we who are representing those States are attempting to do is to develop every possible resource in that section of the country so that one development may aid another development.

We have the opportunity right here in this case, not to open up any great industry, for sand only moves a short distance, but if the owners of the sand deposits can send the sand to manufacturing plants in near-by territory, as a result, there will be scattered throughout that section little enterprises; each enterprise will employ men, and those men will buy farm products which are produced in the vicinity. I think it is a worthy proposition; yet the only answer that we hear to our argument is the question, "Well, how much is imported?" I say that there is enough imported to prevent the establishment of that industry in the West. That is evident; the letters and the testimony show that to be so. We are asked, I repeat, "How much is imported?" Not much, but four times as much was imported in 1928 as was imported in 1927; and the importations will keep on increasing. The question is one purely of determination as to whether we feel that we should add \$4 a ton to the glass manufacturers and have this industry operate, or not have it operate. There is not any other question involved in the entire proposition.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Nevada in the nature of a substitute for the committee amendment.

Mr. SMOOT. I ask for the yeas and nays.

Mr. FESS. Mr. President, I suggest the absence of a quorum. The VICE PRESIDENT. The Secretary will call the roll for a quorum.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Edge	Howell	Schall
Ashurst	Fess	Jones	Sheppard
Barkley	Fletcher	Kendrick	Shortridge
Black	Frazier	Keyes	Simmons
Blaine	George	La Follette	Smith
Blease	Gillett	McKellar	Smoot
Borah	Glenn	McNary	Steck
Bratton	Goff	Metcalf	Steiner
Brock	Goldsborough	Moses	Stephens
Brookhart	Greene	Norbeck	Thomas, Idaho
Broussard	Hale	Norris	Thomas, Okla.
Capper	Harris	Nye	Townsend
Caraway	Harrison	Oddie	Trammell
Connally	Hastings	Overman	Tydings
Copeland	Hatfield	Patterson	Vandenberg
Couzens	Hawes	Phipps	Walcott
Cutting	Hayden	Pittman	Walsh, Mass.
Dale	Hebert	Ransdell	Walsh, Mont.
Dill	Heflin	Reed	Wheeler

The VICE PRESIDENT. Seventy-six Senators having answered to their names, a quorum is present. The question is on the amendment proposed by the Senator from Nevada in the nature of a substitute for the committee amendment.

Mr. PITTMAN. Mr. President, I merely wish to state what the amendment is. It proposes to restore the House provision of \$4 per ton upon silica and crude silica. That was the rate provided in 1922, and that was the duty provided in the bill as it passed the House. As I have already stated, the matter really only affects the western section of the country. The glass works now being established on the Pacific coast are buying Belgian sand because it comes over there in ballast and is sold at a price with which sand produced two or three hundred miles from there can not compete. The manufacturers are willing to buy the domestic sand, and they have started plants there, but they say they can buy sand shipped all the way from Belgium so much cheaper that they will not, under present conditions, buy the domestic article. If we want this industry to grow in the West we have got to retain the House provision.

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Massachusetts?

Mr. PITTMAN. I yield.

Mr. WALSH of Massachusetts. Is silica sand now on the free list?

Mr. PITTMAN. It is on the free list to-day, but was not intended to be on the free list. The Treasury Department, however, interpreted Belgian sand which is 98 per cent silica to be sand, and accordingly it is on the free list. I am making the distinction between silica sand and sand in the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment in the nature of a substitute proposed by the Senator from Nevada.

Mr. LA FOLLETTE. Mr. President, I do not desire to prolong the debate upon this amendment; and I am sorry to find myself in disagreement with the Senator from Nevada [Mr. PITTMAN]. Nevertheless, in the consideration of other items previously disposed of I have taken the position that where imports were negligible the duties advocated by the committee in many instances were unjustified, and I think a similar situation exists in this case.

Approximately one-fifth of the cost of the material in a batch of glass is glass sand.

Mr. FESS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LA FOLLETTE. I do.

Mr. FESS. The Senator said the position of the committee was unjustified. The committee has stricken out the duty.

Mr. LA FOLLETTE. I referred to other instances. The Senator misunderstood me.

Mr. FESS. Oh! I thought the Senator meant this one.

Mr. LA FOLLETTE. I have attempted to resist increases or high duties where the committee had advocated them on previous items where imports were negligible; and I therefore take the same position concerning this item, and am endeavoring to argue in support of the position taken by the Finance Committee.

Sixty per cent of the material in a batch of glass is composed of glass sand. The Summary of Tariff Information informs us that the value of glass sand at Antwerp, free on board ship, is about \$1 a ton. Therefore this duty is approximately 400 per cent ad valorem, as advocated by the Senator's amendment. I am informed that they are able to lay down this glass sand at the dock in San Pedro, Calif., at about \$4 a ton. The pro-

posed duty of \$4 a ton would bring the cost of glass sand at San Pedro to approximately \$8 a ton.

As has been pointed out in the debate, the domestic production of glass sand, estimated in 1927, was 2,000,000 short tons. In 1928 the imports, principally from Belgium and principally to the West coast, were approximately 38,000 tons. It will therefore be seen that the imports are about one-third of 1 per cent of the domestic production.

The Senator contends that this amendment, if adopted, would affect only the west coast. I am not entirely certain that that is the case. Approximately 61 per cent of the glass sand produced in the United States at the present time is produced in West Virginia and eastern Pennsylvania. It is now being laid down from these domestic mines, in the Pittsburgh market at approximately \$4 per ton. If we take the base of \$1 per ton free on board ship at Antwerp, Belgium, it is obvious that they can lay down the foreign sand on the Atlantic seaboard for about \$4 per ton. The estimated freight from the seaboard to the Pittsburgh market would be approximately \$3 per ton, making the total cost of imported glass sand at Pittsburgh approximately \$7 per ton.

If a \$4 duty is imposed upon this sand, it would cost the Belgian producers of glass sand approximately \$11 a ton to lay down this sand in the Pittsburgh market, which is about \$7 above the cost of that sand produced domestically now laid down in the Pittsburgh market. Therefore if the amendment proposed by the Senator from Nevada is adopted, with this wide spread between the cost of the imported sand and the domestically produced sand, it is quite obvious that there will be an opportunity for the domestic producers of sand to elevate the price and thereby increase the cost of glass to consumers in the United States.

We should not determine this issue on the duty which the committee has imposed upon glass. That, it seems to me, is an entirely different subject, and should be considered upon its merits. I believe that the protective theory should not be carried to the point where we are willing to impose exorbitant duties upon products produced in the United States when it is obviously done for a particular situation, and not done with the entire industry and the production of the United States in view.

Therefore I trust that the amendment offered by the Senator from Nevada will be rejected.

Mr. PITTMAN. Mr. President, just a second to answer what the Senator has said.

As far as the small importation is concerned, I will say that the importations at the competitive points on the Pacific coast have increased 400 per cent between 1927 and 1928. The reason why there have not been any great importations is because these plants have just started up; but the plants are increasing in size.

As to the other question, as to the 400 per cent, if the original product cost \$100 and it took a \$4 duty to make it competitive, no one would hesitate to impose the \$4 duty; but because the original product costs only \$1 a distinction is drawn as to adding the \$4. The reason it appears to be 400 per cent is because the original product itself is so cheap. As I say, if it were a \$100 product and it took \$4 to equalize it, we would not hesitate. Because it is a \$1 product we hesitate.

Just one other proposition:

The Senator from Wisconsin says he does not desire to have a tariff that affects certain sections of the country only. It is impossible to have a tariff that does not affect different sections of the country differently. It depends on what the different sections produce. For instance, we have a tariff on manufactured articles that applies only to States where they have manufactures. Therefore we might say, "We can not vote for a tariff on manufactures because it does not apply to us."

The so-called backward States, which some one has criticized, at the present time have only one chance of developing industries, and that is in raw materials. If you give us that chance, we will start to develop.

As a matter of fact, it is shown that the plants on the Pacific coast will take Belgian sand, and are taking it now, because it is so cheap. It is true that if we put a duty of \$4 on it, it will increase the cost of glass by that amount; but, if there is 60 per cent of sand in the glass it will not increase the cost of a ton of glass over about \$3. What is an additional cost of \$3 in the case of glass which varies in price from \$250 to \$2,000 a ton? The added cost carried to the public means nothing at all. You have the comparison on the one side of causing the public to pay \$3 a ton more for glass which sells for \$250 to \$2,000 a ton, and on the other side you have the establishment of little mining communities throughout this country that will furnish local markets to the farmers in that section of the

country. I say to the Senator from Wisconsin, who is such a strong friend of the farmer, that the only hope for the development of farming in many of the wide spaces of the West, owing to the enormous cost of transportation, is to give an opportunity of development of such resources out there, so that those farmers may sell their products.

That is the situation in which we find ourselves in this whole matter. If we do not get this duty, then, as the glass industry grows on the Pacific coast, the Belgian industry will continue to grow.

The VICE PRESIDENT. The question is on the amendment, in the nature of a substitute, of the Senator from Nevada [Mr. PITTMAN] to the amendment of the committee.

Mr. SMOOT. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. JONES (when his name was called). The senior Senator from Virginia [Mr. SWANSON] is necessarily absent, and I have promised to take care of him. I find that I can transfer my pair with him to the junior Senator from Colorado [Mr. WATERMAN], and I do so, and will vote. I vote "yea."

Mr. OVERMAN (when his name was called). The senior Senator from Wyoming [Mr. WARREN] is unavoidably detained. I have a general pair with that Senator, and therefore I withhold my vote.

Mr. PATTERSON (when his name was called). I have a general pair with the junior Senator from New York [Mr. WAGNER]. I transfer the pair to the senior Senator from Illinois [Mr. DENEEN] and vote "yea."

The roll call was concluded.

Mr. BLEASE. I have a pair with the junior Senator from New Jersey [Mr. KEAN]. I understand that if he were present he would vote "yea," and if permitted to vote I would vote "nay." Until the Senator from New Jersey returns I would like to have it understood that I have a pair with that Senator without having it announced every time there is a vote.

Mr. COPELAND. My colleague [Mr. WAGNER] is unavoidably detained. I think he will be here later in the day.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Connecticut [Mr. BINGHAM] with the Senator from Virginia [Mr. GLASS];

The Senator from Indiana [Mr. ROBINSON] with the Senator from Mississippi [Mr. STEPHENS];

The Senator from Indiana [Mr. WATSON] with the Senator from Arkansas [Mr. ROBINSON]; and

The Senator from Kentucky [Mr. SACKETT] with the Senator from Missouri [Mr. HAWES].

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained by illness. If present, he would vote "nay."

I also desire to announce that the junior Senator from Arkansas [Mr. CARAWAY] and the junior Senator from Mississippi [Mr. STEPHENS] are necessarily detained on official business.

I announce the temporary general pair of the junior Senator from Arkansas [Mr. CARAWAY] with the junior Senator from Maine [Mr. GOULD].

The result was announced—yeas 27, nays 44, as follows:

YEAS—27

Ashurst	George	Kendrick	Shortridge
Bratton	Goff	McNary	Steck
Broussard	Goldsborough	Norbeck	Steilwer
Dale	Hatfield	Oddie	Thomas, Idaho
Dill	Hayden	Patterson	Townsend
Fess	Hebert	Pittman	Trammell
Fletcher	Jones	Ransdell	

NAYS—44

Allen	Cutting	Howell	Sheppard
Barkley	Edge	Keyes	Simmons
Black	Frazier	La Follette	Smith
Blaine	Gillett	McKellar	Smoot
Borah	Glenn	Metcalf	Thomas, Okla.
Brock	Greene	Moses	Tydings
Brookhart	Hale	Norris	Vandenberg
Capper	Harris	Nye	Walcott
Connally	Harrison	Phipps	Walsh, Mass.
Copeland	Hastings	Reed	Walsh, Mont.
Couzens	Heflin	Schall	Wheeler

NOT VOTING—23

Bingham	Hawes	Pine	Swanson
Blease	Johnson	Robinson, Ark.	Wagner
Caraway	Kean	Robinson, Ind.	Warren
Deneen	King	Sackett	Waterman
Glass	McMaster	Shipstead	Watson
Gould	Overman	Stephens	

So Mr. PITTMAN's amendment to the amendment of the committee was rejected.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I ask unanimous consent that beginning to-morrow, and for the balance of the week, the tariff bill shall be considered, to the exclusion of all other matter, beginning at 10.30 in the morning and running to 5.30 in the afternoon.

The VICE PRESIDENT. Is there objection?

Mr. HARRISON. Mr. President, why does the Senator want to change the time of meeting from 10 o'clock and the time of adjourning from 6 o'clock to 5.30?

Mr. SMOOT. That is not the proposal. We will meet at 10 o'clock, and there will be a half hour in the morning to take care of whatever may be brought up, and there will be a half hour before we conclude for the day, between 5.30 and 6 o'clock. We will not change the time of meeting or the time of adjournment. I simply ask unanimous consent that, beginning to-morrow and for the balance of the week, everything shall be excluded from discussion, beginning at 10.30 and running until 5.30, except the tariff bill.

Mr. SIMMONS. That is, between 10.30 and 5.30 there shall be nothing else considered except the tariff bill?

Mr. SMOOT. That is the request.

Mr. BARKLEY. Why make it apply to the late afternoon? As a rule, we have not been considering anything else up to 6 o'clock but the tariff bill.

Mr. SMOOT. When?

Mr. BARKLEY. If it is necessary to set aside a half hour in the morning for other matters, it certainly ought not to be necessary to set aside a half hour in the afternoon.

Mr. SMOOT. Since last Wednesday evening, when we adjourned, up to this morning, 4 hours and 50 minutes have been consumed in the discussion of the tariff bill.

Mr. BARKLEY. The discussion of other subjects was at the beginning of the sessions, not at the end.

Mr. SMOOT. That has been all the time consumed on the tariff bill.

Mr. FESS. Mr. President, will the Senator yield?

Mr. SMOOT. I yield.

Mr. FESS. The Senator does not mean that the half hour from 10 to 10.30 and the half hour from 5.30 to 6 o'clock could not be used on the tariff?

Mr. SMOOT. The time could be used for any purpose.

Mr. FESS. It could be used for any purpose, but on the tariff bill if there were nothing else to be discussed.

Mr. SMOOT. Certainly.

Mr. BARKLEY. Mr. President, what I do not understand is the necessity for setting aside a half hour at the end of the day, when we have not been considering anything else at the end of the day but the tariff bill.

Mr. SMOOT. There may be some matter that could be acted upon in the half hour.

Mr. DILL. Mr. President, I want to ask the Senator from Utah a question. What is to be the effect of this agreement? Does it mean that a Senator can not discuss some other subject if he desires?

Mr. SMOOT. No; it does not. It means that we are going to give more time to the discussion of the tariff bill.

Mr. DILL. And the Senator is asking unanimous consent?

Mr. SMOOT. I am asking unanimous consent that beginning to-morrow at 10.30, from that time until 5.30 in the afternoon, no other matters shall be discussed by the Senate with the exception of the tariff bill.

Mr. DILL. I will object to that.

The VICE PRESIDENT. Objection is made.

Mr. NORRIS. Mr. President, will the Senator from Utah yield?

Mr. SMOOT. I yield.

Mr. NORRIS. I would like to suggest to the Senator that he modify his request by taking out the exception after 5.30 and just say beginning at 10.30 until the close of business on any day nothing but the tariff shall be discussed. A half hour is enough for anything else.

Mr. SMOOT. I will modify it in that way.

Mr. DILL. Mr. President, I am not going to consent to limit debate so that we can not discuss anything else except the tariff bill. I shall object.

The VICE PRESIDENT. The Senator from Washington objects.

Mr. SMOOT. Mr. President, we are making no headway. I am told by Senators on this side, I am told by Senators on the other side, and coalition members, as they are designated—and I have not so designated them in the past—that we are not making headway. If we are going to pass this bill we must have some kind of an understanding. If whoever can speak for the coalition will tell me that they are opposed to a committee amend-

ment, I will be perfectly willing not to discuss it at all, but to have a vote upon it.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Montana?

Mr. SMOOT. I yield.

Mr. WALSH of Montana. I am very sure the Senator from Utah will recognize that upon a proposition of this kind no one is authorized to speak for the so-called coalition, nor is anybody authorized to speak for the Democratic side. I dare say that the same applies to the other side. I feel quite sure that the Senator will be unable to speak for those on his own side. This is a matter which is addressed not to any coalition or to any party organization; it is addressed to each Member of the Senate individually.

Mr. SMOOT. Practically speaking, that is true.

Mr. WALSH of Montana. The Senator from Washington individually has raised an objection. I trust the Senator from Washington will reflect upon the matter, and see if he can not accede to the request.

Mr. DILL. Mr. President, I have no objection to an agreement that no other business shall be transacted except business relating to the tariff bill, but that was not the Senator's request. The Senator's request was that there be an agreement that there should be nothing else discussed except that, and to that I shall object.

Mr. WALSH of Montana. Let me say to the Senator from Washington that the agreement in any other form would accomplish nothing, because there is and has been very little time consumed in the actual disposition of other business, so that an agreement that no other business should be transacted would be of very little consequence. For instance, to-day the Senator from Iowa [Mr. BROOKHART] addressed the Senate upon matters relating to the subject of prohibition. No action was taken, but of course time was consumed. I do not mean to say it was not consumed profitably, but unless there is some agreement that the discussion shall be confined to the tariff bill—and I dare say that would be liberally construed—it would be useless to have any agreement. At the present time I can not think of anything else which would require discussion.

Mr. DILL. Mr. President, what would be the Chair's ruling if this agreement were entered into and a Senator attempted to discuss some other subject?

The VICE PRESIDENT. The Chair would have no right to interfere unless some Senator should make a point of order against the relevancy of the remarks, in which event the question would be submitted to the Senate as to whether the Senator should be permitted to proceed.

Mr. BRATTON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. BRATTON. If the Chair should hold that the matter then being discussed did not bear directly upon the tariff bill, would the Chair hold the Senator out of order?

The VICE PRESIDENT. As the Chair has said, it would be a question for the Senate to determine as to whether the Senator should be permitted to proceed.

Mr. WALSH of Montana. Of course, Mr. President, the ultimate decision would not rest with the Chair; it would rest with the Senate.

The VICE PRESIDENT. The Senate would have to pass upon the question, of course.

Mr. WALSH of Montana. As to whether or not the Senator was in good faith discussing the tariff bill, or whether his remarks were quite outside of the scope of the tariff discussion.

Mr. DILL. Mr. President, will the Senator from Utah yield?

Mr. SMOOT. I yield.

Mr. DILL. I want to make my position clear. I have not spoken very much during this debate, and I do not intend to speak very much about the bill, except that when the question of shingles comes up I may want to speak for a few minutes; but this is a proposal for a very drastic departure from the long-established form of debate in the Senate, and it to me marks a precedent to which I can not consent. I think it is a precedent which should not be established in this body. It goes to the very root of a free forum, which the Senate has so long been, and because of that principle I shall not consent to any such agreement.

Mr. SMOOT. Mr. President, I want to modify my proposal somewhat. The Senator from Nebraska has just suggested to me to make the agreement apply from 12 o'clock on. Will not the Senator from Washington agree to that?

Mr. DILL. The same principle applies, Mr. President. I will not agree to it.

The VICE PRESIDENT. The Senator from Washington objects.

Mr. SMOOT. Mr. President, I beg Senators to confine themselves now to the bill and let us get it through. If we are not going to do that, let Senators be men and say that they are not going to allow the bill to go through. I know there are enough votes here to change the rates. I am not going to insist upon them.

What I want to do is to get the bill into conference. The Senate can then decide, after the conferees have agreed, whether they want the bill or not. I know there are votes enough to defeat it, but when it goes to conference I as one of the conferees am going to try to carry out the wishes of the Senate. I beg of Senators to let us pass the bill in some form.

Mr. WALSH of Montana. Mr. President, the remarks of the Senator from Utah prompt me to say a word or two. This is the third tariff bill which has been considered by the Senate during my service here. I can see no difference between this tariff bill and any other tariff bill. The conditions requiring tariff legislation are no more imperative now than they were in 1922. They are no more imperative now than they were in 1913. I am sure they are no more imperative now than they were in 1909. There was at none of these times this constant dinning away at speed with respect to the disposition of the questions involved. Why should there be now? Why should not the debate progress just in the regular orderly way with opportunity for full discussion of any item that comes up?

I am in entire accord with the Senator from Utah in endeavoring to confine the time of the Senate so far as possible to discussion of the particular bill before us, but the idea of getting it rapidly into the hands of the conference committee does not address itself to me with any particular force at all.

Mr. SMOOT. I have been a member of the Finance Committee when we passed all the tariff bills mentioned, including the act of 1909. I have never before experienced what we see here now in the consideration of the bill before us. Not only during the last week but nearly every day since we took up the bill some extraneous matter has been brought in to take two or three or four hours of time. That never before happened in the consideration of a tariff bill.

Mr. WALSH of Montana. Mr. President, I can not agree with that statement. I have not observed that the regular orderly course of proceedings, while the bill has been before the Senate, has been in any degree different from the regular orderly course of debate in the Senate. Indeed, Mr. President, I undertake to say, as I said the other day, that there has been perhaps less distraction from the very matter before us than with most of the important legislation which comes before the Senate.

Mr. SMOOT. Mr. President, I have nothing more to say. Let us go on with the bill and do the best we can.

Mr. NORRIS. Mr. President, I want to add to what the Senator from Montana [Mr. WALSH] said—that there probably has never been a tariff bill in the recollection of any of those of us who are here to-day where there have been recesses taken from day to day, with the Senate convening at 10 o'clock in the morning six days in the week and remaining in continuous session until 6 o'clock in the evening. I believe the record in regard to this bill, as far as giving attention to the bill itself is concerned, has never been equaled before. Of course I do not know positively about that, but I think if the record were looked up it would be found that we did not in the past follow the course that has been followed in the consideration of the bill now before us.

Let us stop wasting time talking about the procedure. Let us drive our horses ahead and go along as fast as we can. The clouds will lift after while, and before we know it some day we will take a spurt and adopt two or three hundred amendments in two or three hundred minutes. Under the ordinary procedure in the consideration of any important bill we have to go through something of this kind. It must be remembered that the country is getting larger, the tariff bill is bigger, and we are simply emphasizing every day that the way we have been considering tariff bills from the beginning of our country down to now has been unscientific. We have put into the bill now before us already an amendment that will revolutionize the consideration of tariff bills in the future.

I regret this delay as much as the Senator from Utah does, but there seems to be no other way out. Let us go on and do the best we can, and eventually we will get through. If we do not get through this month, we will get through next month. Let us have the happy thought in our hearts that our successors, when they come to consider a tariff bill, will not have to go through this rigmarole, and they will not have a logrolling consideration of the bill either by the committee or by the Senate if we shall keep in the law the amendment to which we have already agreed.

Mr. BLEASE. Mr. President, I wish to offer a resolution, as follows:

Resolved, That the further consideration of the tariff bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes, be postponed until the day following the disposition by the Senate of the Vare case in the regular session of the Congress.

The VICE PRESIDENT. The resolution (S. Res. 148) submitted by the Senator from South Carolina [Mr. BLEASE] will lie over one day under the rule.

The clerk will report the next amendment.

The CHIEF CLERK. On page 38, paragraph 208, mica, in line 24, the committee proposes to strike out "30 per cent" and insert "25 per cent," so as to read:

Mica splittings, 25 per cent ad valorem.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee just stated.

Mr. SIMMONS. Mr. President, I had intended discussing the two amendments to paragraph 208 as made by the Finance Committee, namely, the amendment just reported by the clerk, and the amendment with reference to waste, scrap, and ground mica. However, I shall not discuss the amendments and shall not at the present time offer any opposition to them.

I have made a somewhat close study of this paragraph. It deals with manufactured and unmanufactured mica. It divides unmanufactured mica into several different classifications. I am thoroughly convinced that the whole paragraph relating to mica as it now stands is unbalanced and is discriminatory in the highest degree in favor of the manufactured products and against the raw materials of that product. I am convinced that no action the Senate might take with reference to the two amendments would remedy the evil or to any considerable extent would mitigate the evil. I have therefore concluded, so far as I am concerned, that I shall hold this contest in abeyance and when it is in order I shall offer a substitute for the entire paragraph, a substitute which I think can be written so as to do equal justice to the manufacturer and to the producer of the raw material.

Mr. SMOOT. The Senator, as I understand it, reserves the right to offer the amendment when the bill reaches the Senate?

Mr. SIMMONS. I am going to ask the Chair again to rule upon the question of whether the acceptance by the Senate of the committee amendment will preclude me, when this item is reached later in Committee of the Whole, from offering a substitute for the whole paragraph. Will it then be in order for me to offer a substitute for the whole paragraph, or will I have to wait until the bill gets into the Senate?

The VICE PRESIDENT. The Chair believes the Senator will have that right in the Committee of the Whole.

Mr. SIMMONS. That is what I thought, and that is the course I shall pursue.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The VICE PRESIDENT. The next amendment will be stated.

The CHIEF CLERK. The next amendment is in paragraph 208, page 39, line 5, where the committee proposes to strike out "20 per cent" and insert "5 per cent," so as to read:

Waste, scrap, and ground mica, 5 per cent ad valorem.

Mr. WALSH of Montana. Mr. President, I should like to have a brief explanation as to whether this is an increase in the duty or a lowering of the duty and why the change is suggested.

Mr. SMOOT. Mr. President—

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I would like to make one or two observations about the amendment which will probably answer the question.

Mr. SMOOT. If the Senator wishes, I can tell why this amendment was made. I think it will be agreeable to all concerned, as I understand it.

Mr. SIMMONS. No; I do not wish it to be understood that either this amendment or the one just agreed to is agreeable to me. But I thought it was useless to oppose the amendments now as I propose later to offer a substitute for the whole paragraph.

With reference to the particular amendment now before us, a very remarkable thing developed upon inquiry. At this time the amendment groups waste, scrap, and ground mica together and reduces to 5 per cent the duty of 20 per cent carried in the present law. The duty in the present law, however, does not apply to waste and scrap mica. It applies only to ground mica. The rate is fixed at 20 per cent. Waste is not mentioned in the

paragraph, but in the so-called "catch-all" clause of the bill "waste," without specifying of what kind, but waste generally, is subjected to a duty of 10 per cent.

Under that provision waste and scrap mica have been introduced into the country at the rate of 10 per cent ad valorem. So that we have here together two different articles—scrap and waste are about the same thing—one dutiable under the present law at the rate of 10 per cent and the other dutiable under the present law at the rate of 20 per cent; and they have both been reduced to a common level of 5 per cent under the Senate committee amendment; and that, too, Mr. President, in spite of the fact that ground mica is a manufactured product, while waste and scrap mica are not manufactured products but are the raw materials of ground mica. It is a most remarkable combination. Here it is proposed to impose the same duty upon both the raw material and the finished product, notwithstanding that in previous legislation they are differentiated—one, the finished product, having been admitted at 20 per cent, and the raw material having been admitted at 10 per cent.

Mr. EDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from New Jersey?

Mr. SIMMONS. I yield.

Mr. EDGE. I am not just clear on the other two products which are included in the paragraph, but speaking of ground mica, the rate on which has been reduced, as the Senator has said, from 20 per cent—

Mr. SIMMONS. I said the rate has been reduced from the duty carried in the House bill.

Mr. EDGE. The duty carried in the House bill of 20 per cent has been reduced to 5 per cent, as the Senator from North Carolina has stated. However, the exports of ground mica are very much in excess of the imports; in fact, from the records of the last year or two the imports have actually been negligible, there having been, I think, only 150 pounds of ground mica imported last year. So the natural reason assigned for reducing the duty from 20 per cent to 5 per cent is that the exports are quite large, while the imports are practically nil. Away back several years ago the imports were quite large, but for the last few years, as the record demonstrates, they have been nothing.

Mr. SIMMONS. I myself am not disposed to controvert some reduction in the rate on ground mica. I was commenting upon the inconsistency in these particular rates.

Mr. EDGE. I might say, if the Senator will permit a further interruption, that I am of the opinion that that paragraph should be divided.

Mr. SIMMONS. It should be divided. If we are to provide that ground mica is entitled to no protection because there are no imports into the country, then we will have scrap and waste, the raw material out of which mica is produced bearing a duty of 5 per cent, with no duty on ground mica. It is because of just such discriminations and inconsistencies and crudities as that, running through the whole of the paragraph with respect not only to the different classifications of raw material but with respect to the differential in the rate as between the finished product and the raw material, that I think the situation can not possibly be met except by a substitute for or a rewriting of the whole paragraph.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, before we pass from this paragraph I invite the attention of the Senate to the fact that the Senate Finance Committee, at least, has been moved to reduce the rate upon china clay from \$2.50, as proposed by the House, to \$1.50; to reduce the duty on silica and to reduce the duty, at least, on waste and scrap mica. So I wish to inquire if that action on the part of the committee evidences the policy of the Finance Committee to reduce the rate on all raw products?

Mr. SMOOT. I will say to the Senator that it does not. On cut and trimmed mica the Senator will notice the rate reported by the committee is 35 per cent. On ground mica the rate was 20 per cent in the act of 1922, 20 per cent under the House bill, and 5 per cent under the committee amendment. On waste the rate is 10 per cent under the act of 1922, 20 per cent in the House bill, and 5 per cent in the bill as reported by the Senate Finance Committee.

The testimony before the Finance Committee was that there were no importations at all of waste; in fact, we are exporting it. So why should there be a duty of 10 per cent imposed upon it?

Mr. WALSH of Montana. The Senate should bear in mind I am not arguing against the wisdom or the action of the committee in the reduction of this particular duty.

Mr. SMOOT. The Senator refers to the policy?

Mr. WALSH of Montana. Yes. On the last three items that have been considered, practically all being raw materials, the Senate Finance Committee was apparently induced to reduce the rate; and I wanted to understand whether that was a general policy of the Finance Committee.

Mr. SMOOT. In consideration of the last item relative to silica it developed that in 1927 9,000 tons were imported into the United States. Every pound of it went to California; outside of that which went to the ports of California, none came into this country. It was for that reason, and that reason only, that the committee felt as though a duty of \$4 a ton was not necessary, and that such a duty should not be imposed.

Mr. WALSH of Montana. I ought to add gypsum to the items to which I have referred. The Finance Committee was induced to reduce the duty on gypsum as well.

I am moved to make this inquiry because I discover that in the State of Connecticut, for instance, as the Senate has heretofore been advised, there were increased duties provided upon 44 of the 52 leading products of that State, but that a reduction was urged and secured upon clay used in the manufacture of paper, which is produced in the State of Connecticut; a reduction in the duty on gypsum was suggested by the Manufacturers' Association of the State of Connecticut because gypsum is not produced in the State of Connecticut, but is a raw material used in the manufactures of that State; and I wondered how far we are to understand that this policy finds expression in the work of the Finance Committee in putting raw materials on the free list and manufactured products on the dutiable list.

Mr. EDGE and Mr. BRATTON addressed the Chair.

The VICE PRESIDENT. Does the Senator from Montana yield; and if so, to whom?

Mr. WALSH of Montana. I yield first to the Senator from New Jersey.

Mr. EDGE. Mr. President, I think that that can only be decided by an investigation of each item as it may be reached covering various kinds of raw materials.

Mr. WALSH of Montana. I am calling attention to four in succession.

Mr. EDGE. Of course, even calling attention to four is hardly a basis for suggesting that any principle as intimated by the Senator from Montana runs through the bill.

Perhaps I may be anticipating what the Senator has in mind, but, referring to the removal of the duty on manganese, for instance, when that item is reached I think there will be a very strong case presented—at least it seemed to me in the committee that a strong case was presented—because of the situation existing in the trade and the imports and exports and production of that particular raw material. I do not think we can discuss the rate on any raw material except with the facts in each instance before us, as we have had them before us when we discussed the duty on the various raw materials which we have thus far considered, including gypsum and the others.

Mr. WALSH of Montana. The commodity mentioned by the Senator might be added to the list, making five.

Mr. EDGE. When the Senate reaches the various other paragraphs, as we have reached those to which the Senator from Montana has referred, the facts will be disclosed, including the importations, home production, the ability of local mines or domestic mines to produce the material.

However, I do not think we can assume that there has been any general policy in regard to the rates of duty on raw material or infer that the committee has followed any specific policy from the action it has recommended in any particular case. I think that to do so is going a little beyond the facts. We have tried—I am sure I can speak for myself, and I think, perhaps, for some others—in so far as any policy is concerned to secure the facts, to obtain the evidence under oath, and then whenever it seemed to be possible or proper to do so to recommend reductions. As a matter of fact, it has been charged that the rates carried in the bill are entirely too high, as has been evidenced in the Senate during recent hours, for when the committee has recommended a reduction, generally speaking, it has been quite difficult to have it accepted by the Senate. So I doubt if we are ever going to get any of the rates in the bill much lower if even the reductions recommended by the committee are not accepted by the Senate.

Mr. WALSH of Montana. Thus far the reductions recommended seem to be almost entirely on raw materials.

Mr. EDGE. No, Mr. President, very far from it. We will show in the very next paragraph, that relating to pottery, reductions in the rates on the finished article as compared to the rates proposed by the House committee.

Mr. BRATTON obtained the floor.

Mr. BARKLEY. Will not the Senator from New Jersey agree also—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Kentucky?

Mr. BRATTON. I yield.

Mr. BARKLEY. I want, in reply to the Senator from New Jersey, to suggest that the amendment to which he refers as a reduction in the rate on chinaware is a reduction of the House provision; but the House provision raised the rates materially above those provided by present law, and the amendment recommended by the committee, if adopted, will also increase the rates above those in the present law.

Mr. EDGE. Mr. President, I do not want to take the time of the Senate to discuss the paragraph until it shall be reached; but there is one item in the pottery schedule on which, as I recall, a duty of 70 per cent, as provided by the House bill, has been reduced to 55 per cent. I refer to the type of china known as bone china.

Mr. BARKLEY. The committee proposes to reduce the rate in the present law on bone china?

Mr. EDGE. Give us credit at least for reducing rates in the bill from those provided as it reached us.

Mr. BRATTON. Mr. President, before we pass from paragraph 208 I desire to ask the chairman of the committee what change is made in this bill as compared to existing law with reference to the raw material.

Mr. SMOOT. Mr. President, under the present law on mica valued not above 15 cents per pound, the duty is 4 cents a pound.

Mr. BRATTON. So that no change has occurred in that section.

Mr. SMOOT. The House provided a duty of 4 cents a pound and the Senate committee allowed 4 cents a pound. On mica valued above 15 cents a pound the act of 1922 provided a rate of 25 per cent; the House provided a rate of 2 cents a pound and 25 per cent, and the Senate committee provided the same rate as the House.

Mr. BRATTON. Those are the only two kinds of raw materials in the paragraph?

Mr. SMOOT. I call the Senator's attention to the fact that on cut or trimmed mica the rate under the act of 1922 was 30 per cent; the House provided a rate of 30 per cent, and the Senate committee recommends an increase in that rate to 35 per cent.

On splittings the act of 1922 provides a rate of 30 per cent; the House bill provided a rate of 30 per cent, and the Senate committee reduced that rate to 25 per cent.

Mr. BRATTON. Just there will the Senator from Utah explain briefly what moved the committee to make that reduction?

Mr. SMOOT. The decrease in the rate on mica splittings will affect a commodity not produced in the United States except experimentally. It did not seem necessary to the Senate Finance Committee to provide a rate of more than 25 per cent, which is generally the rate in the basket clause in this schedule and other schedules in the bill.

Mr. REED. Mr. President, will the Senator permit an interruption?

Mr. BRATTON. Certainly.

Mr. REED. Splittings are really raw material for further manufacture.

Mr. BRATTON. I understand that. How does the domestic production of mica valued at 15 cents a pound or less compare with the production of mica valued at more than 15 cents per pound?

Mr. SMOOT. There are no tables, and the committee was informed that it was almost impossible to segregate them.

Mr. BRATTON. Very well.

The VICE PRESIDENT. The next passed-over amendment will be reported.

The LEGISLATIVE CLERK. In paragraph 211, on page 40, line 15, at the beginning of line 15, it is proposed to strike out "10 cents per dozen pieces and," so as to read:

Earthenware and crockery ware composed of a nonvitrified absorbent body, including white granite and semiporcelain earthenware, and cream-colored ware, terra cotta, and stoneware, including clock cases with or without movements, pill tiles, plaques, ornaments, charms, vases, statues, statuettes, mugs, cups, steins, lamps, and all other articles composed wholly or in chief value of such ware; plain white, plain yellow, plain brown, plain red, or plain black, not painted, colored, tinted, stained, enameled, glazed, printed, ornamented, or decorated in any manner, and manufactures in chief value of such ware, not specially provided for, 45 per cent ad valorem.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. BARKLEY. Mr. President, I desire to make a suggestion to the Senator from Utah.

Mr. SMOOT. Let me inquire of the Senator first if he desires me to offer the amendment which I intend to propose to the amendment at the bottom of the page, or does he desire to take up the amendment in line 15?

Mr. BARKLEY. I was going to suggest to the Senator that we might avoid considerable discussion, and save a good deal of time, in view of what the Senate in all probability will do, if we could agree to the amendment on line 15, and also agree to the Senate amendment on lines 18 and 19, except so far as the amendment substitutes "55" for "50," and then strike out the rest of that section, and—

Mr. SMOOT. And leave the rest of the paragraph, Mr. President—the amendment on line 20. Mr. Beaman has just called my attention to the fact that the wording of that amendment is hardly correct.

Mr. BARKLEY. Yes; I agree that if it is going to be adopted, it ought to be changed.

Mr. SMOOT. It must be changed; and I have the change ready to offer now, or after the other two amendments are agreed to or rejected.

Mr. BARKLEY. That is all right. It will be entirely agreeable that that be offered; but I want to make the same suggestion with respect to it that I would make with reference to the present language.

Mr. COPELAND. Mr. President—

The PRESIDING OFFICER (Mr. Fess in the chair). Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I do.

Mr. COPELAND. I hope the Senator from Utah will agree to this proposal and leave this matter as suggested by the Senator from Kentucky. Otherwise it is bound to lead to long discussion.

Mr. SMOOT. I feel that it is only proper at this time to offer the substitute for this language as submitted to me by the drafting bureau.

Mr. BARKLEY. I will say that I have seen that draft.

Mr. SMOOT. The Senator certainly agrees that this provision should be adopted in place of the other.

Mr. BARKLEY. Yes; that is, as an amendment.

Mr. SMOOT. Yes.

I send the amendment to the desk and ask that it be stated. It proposes to strike out the amendment on line 20, page 40, down to the end of line 24, and to insert the matter which I ask to have read.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRISON. If this substitute should be adopted, then we will be permitted to vote it down afterwards, will we not?

Mr. SMOOT. Oh, that is understood. This is just a substitute.

Mr. HARRISON. We do not want to get caught here.

Mr. BARKLEY. This will be in the same status as the present amendment.

Mr. SMOOT. It is just perfecting the amendment. If the Senator desires, I will make an explanation of it.

Mr. HARRISON. I understand it.

The PRESIDING OFFICER. The substitute amendment will be stated.

The LEGISLATIVE CLERK. On page 40, it is proposed to strike out lines 20 to 24, inclusive, and insert the following:

On cups not imported with their saucers, and saucers not imported with their cups, and on plates, any of the foregoing valued at not more than 50 cents per dozen, 10 cents per dozen; on cups imported with their saucers, and saucers imported with their cups, valued together at not more than 50 cents per dozen cups and dozen saucers, 10 cents per dozen separate pieces.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. NORRIS. I did not know that the Senator from Utah had the floor. I am perfectly willing to take it either way.

Mr. SMOOT. Mr. President, I will not take the time to make the explanation, now that it is agreed to.

Mr. NORRIS. It has not been agreed to yet.

Mr. BARKLEY. What I was going to suggest—

Mr. NORRIS. I desire to be heard before we vote on it.

The PRESIDING OFFICER. To whom does the Senator from Utah yield?

Mr. SMOOT. What is being done—

Mr. NORRIS. I understand what is being done, but it has not been done yet.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Kentucky?

Mr. SMOOT. Yes; I yield.

Mr. NORRIS. Mr. President, the Senator from Utah is sitting down, and I addressed the Chair some time ago. I wonder why I have not the floor.

The PRESIDING OFFICER. The Senator from Utah had the floor. The Senator from Utah having yielded the floor, the Senator from Nebraska is recognized.

Mr. NORRIS. I thought the Chair had recognized the Senator from Kentucky.

The PRESIDING OFFICER. No.

Mr. NORRIS. I think we are all trying to reach the same end.

Mr. BARKLEY. Mr. President, will the Senator from Nebraska yield to me just for a suggestion?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Kentucky?

Mr. NORRIS. I want to make a suggestion myself. That is what I got the floor for. I would have had it made long ago if Senators had let me alone.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. NORRIS. Mr. President, both in the suggested substitute that has been read from the clerk's desk and also in the printed amendment is this language:

Valued at not more than 50 cents per dozen, 10 cents per dozen; on cups and saucers imported as units, valued at not more than 50 cents per dozen units, 10 cents per dozen.

I desire the attention of the Senator from Utah, because I am trying to get some information.

If I understand this language, the same language appears in the proffered substitute. Cups and saucers that are valued at 50 cents and less per dozen have a 10 per cent specific tariff that does not apply to cups and saucers if the value is more than 50 cents per dozen. Is not that right?

Mr. SMOOT. Yes, Mr. President.

Mr. NORRIS. Now, the point occurs to me—there may be some explanation of it that I do not know anything about—why is it that we are going to levy a heavier tariff on cheap cups and saucers than on the more expensive ones? It seems to me that is contrary to the very theory under which we build up the tariff. If there is some reason for it, I should like to have it stated. I do not understand it.

Mr. COUZENS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. NORRIS. I yield to the Senator.

Mr. COUZENS. As I understand, that is where the competition comes in—not on the higher-priced goods. The Senator will find that it frequently occurs in tariff bills that the rate is higher on the low-priced goods than it is on the higher-priced goods. There is no reason for raising the tariff on the higher-priced goods, because the difference in the cost of production at home and abroad is not apparent; but on the lower-priced goods the competition is keener, and the difference in the cost of production at home and abroad justifies the tariff, at least in the opinion of the committee.

Mr. NORRIS. Mr. President, that explanation to quite an extent appeals to me; but it still leaves us in this position, it seems to me, that in proportion to what he is buying, as far as tax is concerned, the poor man is paying a higher tax than the rich man on his cups and saucers. Does not that follow?

Mr. COUZENS. That absolutely follows; but—

Mr. NORRIS. I want to avoid that if there is any possible way of doing it.

Mr. COUZENS. I do not see how we can avoid it if we are going to base the tariff on the difference in cost at home and abroad. In other words, if the men out of work and the industries engaged in the manufacture of cheap goods are the ones that suffer, those are the ones that have to have the tariff. It does not necessarily follow that the others have to have it because they do.

Mr. NORRIS. Mr. President, this morning I was called out by a delegation of laboring men in the pottery business, and they called attention to the very thing I have stated—that the effect of the amendment of the committee was to put the biggest burden on the poor man. They were complaining about it, as I understood, although I must say that I have not had any time to devote to this pottery schedule, and I have not devoted any time to it.

I understood from the beginning that the Senator from South Dakota [Mr. McMASTER] was going to make a specialty of this schedule, and he has done that. Unfortunately, I find from his

office this morning that he will not be able to be here for some time yet on account of illness of a very serious nature in his family. They tell me also that he has devoted a great deal of time to this schedule, and accumulated a good deal of information on it. I did not intend to do anything about it, because I confess my ignorance of it, until these men called on me this morning. That point appealed to me right away. It seemed to me—perhaps there is no escape from it, but it seemed to me—that on the basic, fundamental principle we were wrong in taxing the poor man's cups and saucers higher than we do the cups and saucers of the more wealthy class.

Mr. EDGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. NORRIS. I do.

Mr. EDGE. Did I understand the Senator to say that the delegation that waited on him yesterday was composed of men employed in the potteries?

Mr. NORRIS. Yes.

Mr. EDGE. And did I understand the Senator further to say that these men did not want this extra protection?

Mr. NORRIS. That is what I understood. I did not have time to go over the matter with them sufficiently to be sure, but I understood that was their position.

Mr. EDGE. I am amazed at that statement, because I will say without reservation that all the information the committee has had from representatives of the industry—and we have affidavits and stacks of information that I think the Senator from West Virginia [Mr. Goff] has in his possession—from potters' unions and associations has been asking for this duty; in fact, asking for a much higher duty in order that their employment shall continue.

Supplementing the very able answer of the Senator from Michigan [Mr. Couzens], which practically covered the matter, the committee ascertained, through samples exhibited before the committee, that importations of this cheap type of tableware from Germany, Japan, and other parts of the world were at such low landed cost that a specific duty was absolutely essential. An ad valorem duty, unless very high, would not have amounted to a hill of beans. You can buy a complete decorated dinner set made in Japan at an average price of \$12.80. You can easily see how little a dozen cups or saucers would cost.

Mr. NORRIS. I will say to my friend from New Jersey that I have here a letter from the president of the National Brotherhood of Operative Potters that was brought to my desk just a few minutes ago, and I will read the last paragraph of it:

We will greatly appreciate your support in the rejection of the amendment reported by the Finance Committee, and the retention of the rates in paragraphs 212 and 213.

Mr. EDGE. Of the House bill?

Mr. NORRIS. He undoubtedly means paragraphs 211 and 212 when he says that.

Mr. EDGE. He means the retention of the provisions of the House bill.

Mr. NORRIS. The amendment we are considering now is in paragraph 211.

Mr. EDGE. Yes; but if the Senator will permit me, his correspondent apparently prefers the House bill; and if the Senator will consult his copy of the House bill, he will find that the same rate of 10 cents per dozen pieces exists without any limitation that the value must be less than 50 cents a dozen. In other words, it applies everywhere.

Mr. NORRIS. I would have some sympathy with that, I will say to my friend. Let me say right on that point that I believe, even though from the cost-of-production theory there was not any reason for doing it, I would prefer to have this apply all the way up than to stop.

Mr. EDGE. Speaking personally, I should be entirely satisfied with the House provision; but the reason for the limitation, as it were—50 cents over and under—was the obvious fact, at least it so impressed the committee, that a specific rate of duty of 10 cents per dozen for chinaware costing above 50 cents a dozen soon reached a point where it did not amount to much. I am entirely satisfied with the House provision, however.

Mr. NORRIS. Let me ask the Senator a question; and I am asking it only for information.

Mr. GOFF. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from West Virginia?

Mr. NORRIS. Not at present. I desire to ask the Senator from New Jersey a question. Is 50 cents a dozen rather a high price or a low price for cups and saucers?

Mr. EDGE. The price of the competing imported ware that came to the committee's attention and prompted this limitation was mostly under 50 cents a dozen.

Mr. NORRIS. How high does it go? Can the Senator give me that information?

Mr. EDGE. I can not give the Senator that information without consulting the data here. It, however, goes up to almost any figure. Of course, it is perfectly obvious that a specific rate of 10 cents per dozen on chinaware costing a hundred dollars, and so forth, would be ridiculous; so we simply tried to differentiate.

Mr. NORRIS. Yes; a specific rate would not be enough there.

Mr. EDGE. That was the committee's viewpoint.

Mr. NORRIS. In other words, if we are going to tax it as a luxury, this much a dozen on cups that cost a thousand dollars would not be anything.

Mr. SMOOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. I yield.

Mr. SMOOT. If Senators prefer the House bill, I have not the least objection to agreeing to the provision of the bill just as it came from the House.

Mr. HARRISON. Mr. President, may I suggest to the Senator that the Senate, in our opinion, does not prefer the House bill, nor does it prefer the recommendation of the Senate committee. If the Senator and those who now appear so anxious to increase these rates on the poorer people who buy this cheap china insist on these increases, it will take about three days of time here before we will finish the consideration of this one item. We have been led to believe that the Senator might recede from his insistence.

Mr. NORRIS. I hope Senators will allow me to finish; I am about through. I want to ask another question. How do these rates compare with those in the present law?

Mr. SMOOT. The present law does not include the provision for 10 cents per dozen pieces.

Mr. NORRIS. The other is just the same in every other respect?

Mr. SMOOT. I think the ad valorem is the same in all other brackets.

Mr. NORRIS. The only change from the present law is the addition of this 10-cent specific duty?

Mr. SMOOT. Yes.

Mr. WALSH of Montana. The present law provides 50 per cent for the second class and that is raised to 55 per cent.

Mr. GOFF and others addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska has the floor. To whom does he yield?

Mr. NORRIS. Mr. President, I want to reply to what the Senator from Montana has said. I think the Senator from Montana, instead of thinking of the present law, is thinking of the bill as it passed the House.

Mr. WALSH of Montana. No; I have the present law before me. There is a straight 45 per cent on the one class and a straight 50 per cent on the other class. This bill fixes a specific rate of 10 cents in addition to the 55 per cent.

Mr. SMOOT. My statement was that we would disagree to the amendment, and the only change after that action would be the acceptance of the 10 cents per dozen provided for in the House bill. That is what I stated.

Mr. WALSH of Montana. Quite right.

Mr. NORRIS. Now, Mr. President, let me make a statement before I yield the floor. Of course, this item will be subject to amendment again when the Senate reaches the stage in the consideration of the bill when individual amendments will be in order. The Senator from South Dakota [Mr. McMASTER], as I said a while ago, has devoted a great deal of time to this schedule, and has accumulated a great deal of information on it. He was anxious to participate in the debate on the schedule, but for reasons I have explained already, it is impossible for him to be here to-day. I told his secretary this morning, when he could not give me any definite idea as to when the Senator could come to the Senate, that I did not feel disposed to ask the Senate to delay consideration of this schedule, and, much as I regretted to do it, that I thought we ought to go on without waiting for him, and later on, when he would probably be in the Senate again, he could offer any individual amendment he wanted to present.

Mr. BARKLEY. Mr. President, let me say, in reply to that suggestion, I realize that the Senator from South Dakota has given a certain amount of study to this question, but we are prepared to go on with the consideration of it if it is desired to do so. I personally would not feel justified in asking that it go over on account of the absence of the junior Senator from South Dakota, but if the Senator from Nebraska or the senior Senator

from South Dakota [Mr. NORBECK] desire to have this section go over on account of the absence of the junior Senator from South Dakota [Mr. McMASTER] I should have no objection to that; but we are prepared to go on with it now.

Mr. NORRIS. The secretary of the junior Senator from South Dakota [Mr. McMASTER] has told me that it is uncertain as to when the Senator can come back to the Senate. It might be a few days, or it might be two or three weeks. I have already explained to him that under the circumstances I did not think we had any reasonable right to ask the Senator from Utah to postpone the consideration of this item. It would not make much difference, anyway, because later on the Senator from South Dakota will be able to offer any individual amendments he may desire to submit.

Mr. EDGE obtained the floor.

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield?

Mr. EDGE. I yield to the Senator from Mississippi.

Mr. HARRISON. I ask unanimous consent that the debate on this paragraph be limited to five minutes on the part of any one Senator.

Mr. GOFF, Mr. NORBECK, and Mr. BARKLEY addressed the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. NORBECK. I do not want to object, but I want to get into the debate a little bit.

Mr. HARRISON. I wanted to get in a little bit, too, but I just wanted to get along and expedite the matter.

Mr. GOFF. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from West Virginia?

Mr. EDGE. I yield to the Senator from West Virginia.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRISON. What became of my unanimous-consent request?

The PRESIDING OFFICER. There was objection.

Mr. NORBECK. I objected to it.

The PRESIDING OFFICER. The Senator from New Jersey yields to the Senator from West Virginia.

Mr. GOFF. Mr. President, I wish to state that my understanding of the amendment of the Senate committee which appears on lines 20 to 24, in paragraph 211, page 40, which was superseded by the change proposed by the Senator from Utah, was objectionable, for the reason that on cups, saucers, or plates valued at not more than 50 cents a dozen there was suggested a rate of 10 cents a dozen. The objection that was advanced by those with whom I conferred—and they were unquestionably the same people with whom the Senator from Nebraska and others conferred—was that if the cups, saucers, or plates were valued at 51 cents, then the duty of 10 cents per dozen would not apply and the cups, saucers, and plates so valued would come in under the free list and would come in in competition—

Mr. NORRIS. Not under the free list.

Mr. EDGE. Under the ad valorem duty.

Mr. GOFF. Well, under the ad valorem duty. As I understood further, when the committee waited upon me this morning, and also upon the Senator from New York [Mr. COPELAND], they informed us that they intended to see or had seen the Senator from Nebraska, and that it was their wish that all of the committee amendments be eliminated so as to restore the House language as the House bill came to the Finance Committee of the Senate. They advanced the argument at that time that it would not only guarantee employment to American labor that might otherwise be thrown out of employment but that it would at the same time protect the manufacturer.

There were present in this committee not only the representatives of the manufacturers but the representatives of organized labor. I did not see this committee in conference with either the Senator from Nebraska or the Senator from New York, but I understand that the senior Senator from New York saw the committee, and saw them subsequent to their interview with me, and that they also saw the Senator from Nebraska, and that the manufacturers, as well as the representatives of the labor employed in the production of these cups, saucers, and plates, stated that each side would be perfectly satisfied, and that the American product would be materially aided if we could agree to eliminate entirely the Senate committee amendment and go back and adopt the House bill as it stood.

Mr. SMOOT. Mr. President, will the Senator from New Jersey yield?

Mr. EDGE. I yield the floor, Mr. President.

Mr. SMOOT. I am perfectly willing to withdraw the committee amendment and then vote upon the one amendment, to

provide 10 cents per dozen pieces, found on line 15, without any further discussion at all.

Mr. HARRISON. I must object to that. There has been discussion over on the other side, and there is going to be a little over on this side, now.

Mr. SMOOT. Does the Senator object to the—

Mr. HARRISON. I ask unanimous consent, if I can get permission of the Senator, that the debate on any amendment to this paragraph be limited to five minutes on the part of any one Senator.

The PRESIDING OFFICER. Is there objection?

Mr. GOFF. I have no objection, I will say to the Senator from Mississippi, but I will ask the Senator from New York kindly to state whether or not my version of this interview is as he understood it.

The PRESIDING OFFICER. Does the Senator from Utah yield?

Mr. SMOOT. Yes; I yield to the Senator from New York for that purpose.

Mr. COPELAND. The Senator from West Virginia has stated the situation exactly as presented to me. For my part, I would like to see these amendments discarded and the bill passed as it came from the House, and that is the wish of those who are employed; it is the wish of the industry in my State, which is one of the largest producers of this product, and I hope that may be the decision of the Senate.

Mr. SMOOT. Now, Mr. President, I ask—

Mr. GOFF. Mr. President, will the Senator from New York permit this question? Did not the committee which interviewed him have in its membership representatives of the manufacturers?

Mr. COPELAND. Yes.

Mr. SMOOT. Now, Mr. President, I again ask unanimous consent—

Mr. BARKLEY. If we are going into a haphazard, intermittent discussion of the merits of this proposition, based on an interview somebody had with a Senator, then I am going to object to all limitations of debate, so that we may go into the merits of the whole schedule.

Mr. GOFF. Mr. President, I am perfectly willing to discuss the merits, and am ready to start now.

The PRESIDING OFFICER. Does the Senator from Utah yield?

Mr. SMOOT. Not until I ask unanimous consent again, so that we will know where we are. I ask unanimous consent that the Senate amendments—

The PRESIDING OFFICER. There is a request pending. Is there objection to the request of the Senator from Mississippi?

Mr. REED. Mr. President, I think the debate has all been relevant. This is a very important item. I do not think we ought to limit debate at this time, and I object.

The PRESIDING OFFICER. Objection is heard.

Mr. SMOOT. I ask unanimous consent that all the committee amendments to paragraph 211 be disagreed to with the exception of the amendment on line 15, where the amendment is to strike out the language providing for a duty of 10 cents a dozen pieces, and that we vote upon that.

The PRESIDING OFFICER. Is there objection?

Mr. HARRISON. I object.

The PRESIDING OFFICER. The question is on agreeing to the amendment in line 15.

Mr. NORBECK. Mr. President, I started to ask the chairman of the committee where this amendment would leave us as compared with the present law? How much increase would there be over the present law?

Mr. SMOOT. If the Senate wants to include what the House put in, 10 cents per dozen pieces, on line 15, and 10 cents per dozen pieces on line 19—and I wanted that included in my unanimous-consent request—that would be the only increase there would be over existing law.

Mr. NORBECK. There is some increase being asked for by the pottery industry then?

Mr. SMOOT. Yes; but the increase from 50 per cent to 55 per cent would be rejected if my unanimous-consent request were agreed to.

Mr. NORBECK. I think we have reached the time when some one should tell us the reason for the request for an increase.

Mr. SMOOT. I thought that had been done already by the Senator from New Jersey. I do not think the Senator from South Dakota was in the Chamber.

Mr. NORBECK. I have been in the Chamber all the time since this matter was reached. I was standing on the other side of the Chamber.

The PRESIDING OFFICER. Does the Senator from South Dakota have any objection to the unanimous-consent request?

Mr. NORBECK. Yes; if it results in increasing rates without an explanation or justification for it, I certainly do. If this industry comes and asks for a tax upon the people of the United States the burden of proof is upon them to show why they should have it and why the rest of the country should bear an additional burden.

Mr. SMOOT. My request is not that this amendment be agreed to. My request is that the Senate vote upon the amendment providing for 10 cents per dozen pieces; that is all. I propose that the Senate shall vote upon that, and all the other amendments will be disagreed to.

Mr. WALSH of Montana. I understand the request of the Senator from Utah is that all of the amendments proposed by the Senate committee be withdrawn except with respect to the one on line 15 and the other on line 19, which propose an increase of 10 cents apiece, and that the Senate vote on that increase.

Mr. SMOOT. That is my unanimous-consent request.

The PRESIDING OFFICER. The Chair will put the request again. Is there objection?

Mr. HARRISON. I objected to it a while ago, and I am certainly going to object again, so that we can get along with the bill.

The PRESIDING OFFICER. Objection is heard, and the question is on agreeing to the amendment on line 15.

Mr. REED. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. REED. Who has the floor?

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor now.

Mr. REED. Mr. President, before we vote on that provision for 10 cents a dozen I think some explanation ought to be made to the Senate.

The action of the House was an increase on nondecorated earthenware by the imposition of a specific duty of 10 cents a dozen in addition to the 45 per cent ad valorem carried in the 1922 law. The House also put a similar specific duty on the decorated earthenware of 10 cents per dozen pieces.

The Senate Finance Committee in looking into it found what seemed to the committee to be abundant justification for additional protection against the very low-priced ware that was coming in mostly from Japan and partly from Czechoslovakia; but we could not see any justification for putting an additional duty on the high-priced ware, because there the existing duty seemed to be a sufficient protection.

There was the other problem on the high-priced decorated ware. There we found that the addition of a 10-cent duty on the very high-priced ware was just an empty gesture. It amounted to nothing. On earthenware that was quoted up to \$50 a dozen a 10-cent duty amounted to no protection at all.

There seemed to be a need of protection against the decorated earthenware throughout the whole range, and that is why we struck out the 10-cent per dozen specific rate and raised the percentage from 50 to 55. That meant a very greatly added duty in dollars and cents on the expensive ware, the rich man's earthenware, and it meant a corresponding relatively small increase on the poor man's earthenware. But in order to protect against the items where the greatest competition came—and that was the extensively cheap cups and saucers that were coming in from Japan—the committee put on the same specific rate that the House had put on the ware valued at less than 50 cents a dozen.

Mr. NORBECK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from South Dakota?

Mr. REED. I yield.

Mr. NORBECK. I would like to ask the Senator to explain why the committee did not take the Senator's advice that he has been giving the farmers: That whenever their cost of production becomes too high they should just diversify. That advice is just as applicable to the manufacturer as it is to the farmer. The Senator from Pennsylvania said the other day the most hopeful thing for the farmer was to go ahead and help himself. Is the manufacturer exempt from that advice? I noticed that the Senator did not include the manufacturer in his letters of advice.

Mr. REED. The manufacturer has been trying to better his own condition.

Mr. NORBECK. Yes; by asking the public to pay a bigger price for the goods he sells.

Mr. REED. That is what the farmer wants.

Mr. NORBECK. Certainly; but it is denied the farmer, while it is being granted the manufacturer.

Mr. REED. No, Mr. President; if any industry were producing an enormous surplus of our products, as the farmer is doing, we would have exactly the same result that the farmer has seen. We know that because—

Mr. NORBECK rose.

Mr. REED. Wait until I finish.

Mr. NORBECK. I just want to listen to the Senator. I am getting closer, so that I shall not miss anything he may say.

Mr. REED. I am delighted that the Senator is listening, and I shall try to see that he does not miss a syllable. In the bituminous coal-mining industry in my State we have had exactly the same phenomenon that occurred with the farmer in South Dakota.

Mr. NORBECK. I want to challenge that statement right there. The farmer has not increased his surplus as fast as the population has increased, but the coal operator has increased it faster.

Mr. REED. Very good; whatever may be the cause and whatever may be the relative increase in both your farming industry and our industry which produces bituminous coal, we have a capacity and an output far in excess of the needs of the country, and both industries are depressed on that account. There is nothing we can do to help our bituminous coal industry in the way of a tariff or in the way of a coal relief bill, or any other method that I know of. It is the law of supply and demand that has brought about depression in that industry. It works just the same with the farmer.

Mr. NORBECK. The Senator's illustration is entirely unfair. He argues that agriculture has increased its surplus when it has not. Our exportable surplus is less than it was. We have to find a market in foreign lands for a smaller amount. We do not need to look for a new market. The coal industry has boomed and boomed and boomed until it can supply a market three times the size of the United States; the industry has suffered as a result of that sort of competition. The comparison is utterly unfair. The idea that depression in agriculture is due to an increased surplus is an utter fallacy. We have to deal, and I hope we can deal, with these problems upon the facts as they exist instead of the facts as we glance them from some newspaper headlines. All the farmer needs, according to the Senator from Pennsylvania, is more efficiency. He ought to have more efficiency and help himself in that way. But here the American business man comes in and says, "I need help. Dig into your pockets, you farmers, and help me, so I can keep going."

Mr. COPELAND. Mr. President, will the Senator from Pennsylvania yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from New York?

Mr. REED. I yield.

Mr. COPELAND. I would like to say to the Senator from South Dakota, as one who has voted consistently, as he knows, for every farm relief bill, that in my opinion the farmer will suffer more if we have unemployment in the industrial centers. I am greatly interested in this particular problem which is being presented by the Senator from Pennsylvania, because my State is the chief State in the pottery business. The industries are going out of business because of the competition which has come in in recent years from Czechoslovakia and Japan and other foreign lands. If it goes on and we have a bread line in the great industrial centers of the East, there would be less demand than there is at present for the wheat raised by the farmer in the West and the Northwest.

Mr. NORBECK. Let me say that I appreciate the fact that the Senator from New York has always had a national view. He has been as consistently fair with the farmers as other sections. I know it was said that the eastern Senators could not be fair to the farmer and be reelected, but he is one eastern Democratic Senator who believed in a fair deal for the farmers, and he is the only one among the eastern Democratic Senators who was sent back here reelected by a big majority. Eastern voters are not unfair to the farmer if they understand the situation. We have had too much misunderstanding here.

The high-tariff argument the Senator from New York is making is my own argument. For 40 years I have said the same thing. There is, however, a difference between a high tariff and a higher tariff and a still higher tariff. Anyhow I have a great deal of tolerance with the Senator's views and I do not challenge them at all. I am addressing myself to those who say that the law should not help anybody, but that the farmers should help themselves, that they only need more efficiency and more diversification. If business can not make a living at mining coal, why not let them make typewriters or threshing machines? It is as feasible as the plan they offer us. They

have reminded us of the fact that we have raised too much wheat and too few bananas. They forget our climate is cold.

Mr. REED. Coming back to earthenware and china, and the argument would be just the same if it were corn or wheat, in 1923 we produced \$36,000,000 worth of earthenware in the United States. That has shrunk steadily down to \$31,000,000 last year. The domestic production is 18 and a fraction per cent less than it was five years before. The decrease has not been irregular, but has been a steady decrease each year. The 1928 production was 18 per cent less than in 1923. That was not because the people of the United States bought fewer dishes or bought less china and earthenware. They bought just as much as they ever bought in the earlier years, and the difference was taken up by imports of the same articles which increased from \$14,000,000 in 1923 to approximately \$18,000,000 in 1926, the same in 1927, and the same in 1928, an increase in imports of 26 and a fraction per cent. That is not conclusive, of course, but it is well to bear in mind that the domestic production went down 18 per cent in those five years and the imports went up 26 per cent.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. BARKLEY. According to information from the Tariff Commission the imports of all sorts of china in 1925 were \$17,185,789, in 1926 a little over \$18,000,000, in 1927 nearly \$20,500,000, and in 1928 a little over \$17,900,000. This indicates a decrease of almost \$3,000,000 from 1927 to 1928, and practically a level in import figures from 1925 to the present time.

Mr. REED. I think there is a mistake there some place. The figures I have show a decrease from 1927 to 1928. I can not imagine where the difference comes in between the Senator's figures and mine. The figures I have for 1927 are \$18,248,000.

Mr. BARKLEY. I will tell the Senator from the table given me to-day by the tariff expert who sits beside the Senator from Utah [Mr. Smoot] that the total imports in 1927 were \$20,229,272 and for 1928 were \$17,771,824.

Mr. REED. All right, Mr. President. Let us take the figures given by the Tariff Commission so there can be no question about it. The imports in 1920 were \$10,000,000; in 1921 nearly \$12,000,000; in 1922 nearly \$12,000,000; in 1923, \$16,000,000; in 1924, \$16,000,000; in 1925, \$17,000,000; in 1926, \$18,000,000; in 1927, \$20,000,000; in 1928, \$17,900,000. The trend of increase in imports is shown just as plainly by these figures as by the figures of the potters' association which I was first giving.

I am told by the Association of Potters that the increase in German importations between 1923 and 1927 was from \$2,000,000 to \$4,400,000, and the increase in the Japanese importations between 1923 and 1927 was from \$2,700,000 up to \$3,997,000.

There are about 46 potteries now surviving in the United States; 3 have failed and have gone out of business in the past three years; 6 of the 46 are said to be notoriously unsuccessful; that is, they are "running in the red." I have no figures about their operations. But the 40 who constitute the most prosperous group of potteries had last year 10,003 kilns of ware as their output. That is one way of describing the amount of their output. Their output was the contents of 10,003 kilns. Back in 1923 the same companies produced 12,458 kilns, a decrease of 19.5 per cent in the five years. The wages they paid have decreased from \$14,250,000 to \$12,200,000 in 1928. Their total sales in the three years—1925, 1926, and 1927—were \$69,000,000 of pottery; and on those sales the net profits in the three years of the 36 firms that sold that \$69,000,000 worth were only \$413,000, or one-sixth of 1 per cent per year on the sales.

Why is that and why have we raised the tariff? It is simply because the wages that are paid in that industry in the United States are three and one-half times as much as those being paid in Germany and in Czechoslovakia, four times as much as those being paid in Holland, and eight times as much as those being paid in Japan.

I myself have been through the pottery factories in the center of Japan. I have seen the kind of labor that is employed—women, girls, boys, a great many of the coolie type of labor. They are paid only as much for 8 hours of work as an American workman is paid for 1 hour's work. See the utter impossibility of competing with that kind of labor in that industry. They make the same type of articles out of the same type of clay; they fire it in the same way. One can not tell, except by the mark on the bottom of the plate or on the cup or the saucer whether it was made in Japan or the United States. Therefore, if we have no tariff, it will simply close up our potteries in the United States and throw out of occupation the people who are now getting twelve and a half million dollars in wages.

Mr. BARKLEY. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Kentucky?

Mr. REED. I yield.

Mr. BARKLEY. Does the Senator from Pennsylvania know whether in Japan and Germany and Czechoslovakia and Great Britain, or any other countries that make chinaware, which is sent into this country they use the tunnel or the beehive kiln system?

Mr. REED. I do not know.

Mr. BARKLEY. The Senator knows that there is quite a difference in the cost of manufacture, depending on the use of the two systems?

Mr. REED. Yes. My impression is that they use exactly the same type of kiln that we do, but I am not sure.

Mr. BARKLEY. What type is that?

Mr. REED. I think we use the tunnel kiln here.

Mr. BARKLEY. We are beginning to use the tunnel kiln. That is one of the real troubles with the pottery industry. The industries in countries that are using the tunnel kiln are very prosperous, but many of those which still cling to the old-fashioned beehive kiln are in difficulty because they can not compete with the more modern methods of manufacture. The Tariff Commission very fully sets that out in one of its reports.

Mr. REED. We also find that situation in a number of other instances; but it is perfectly obvious that with any type of kiln we can not compete with an industry that is paying wages which are only one-eighth of those being paid here.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Nebraska?

Mr. REED. I yield.

Mr. NORRIS. As one who has not studied this question but who wishes to get the truth about it, I am very much interested in what the Senator from Pennsylvania is saying, and I am particularly interested in the question propounded to him by the Senator from Kentucky [Mr. BARKLEY], for, as I look at it, there is involved in it a very important factor for us to consider. Even though it be true that wages are very much less in Japan, still the consumers in America ought not to be required to pay for the tariff that is going to be necessary to keep going a system of production that is admitted to be inefficient if there is a method by which efficient work may be done.

Mr. REED. Absolutely not; I agree with the Senator from Nebraska as to that.

Mr. NORRIS. I do not know about these different methods; I can not describe either one, of course; but it seems that, though what is known as the tunnel system is more efficient and more modern, a good many of our manufacturers are not using it. Whatever effect that may have on the whole problem is something that we ought to know all about.

Mr. REED. Absolutely.

Mr. NORRIS. While it may not settle or determine the question, I think that it is a very important thing to know.

Mr. REED. Absolutely. In 1922, when we legislated on the tariff on window glass, we based our legislation on the methods in use at that time, but the method has changed twice since then. The method of producing window glass which was used in 1922 has practically disappeared from the world in the seven years that have since elapsed. The same transformation is going on, apparently, in this industry; but the countries keep step in that movement. As we change our methods of producing window glass, we derive no advantage over Belgium, for the Belgian manufacturers also change their methods. The difference in production cost runs along parallel. They are all awake; the world is in close touch.

Mr. NORRIS. I concede that.

Mr. REED. An improved method developed in Germany is adopted here and also in Japan.

Mr. NORRIS. But we ought before we levy a tariff to require the recipients of that tariff, surely at least within reasonable limits, to adopt the most efficient and modern methods of production.

Mr. REED. I think the Senator is undoubtedly right. If in a tariff law we ever set about to protect inefficiency we would be in hopeless difficulty.

Mr. NORRIS. Yes.

Mr. REED. All we can do is to try to make an industry modern and efficient, and if somebody is not modern in his methods and is not efficient in his application of them he is going to fail, but he need not blame it on us.

I have more information as to the development of the tunnel system of kilns in Japan. It is not now at hand, and I do not want to make any guess at it, but I will get it for the Senator. It was the factor I have stated that led us to add this increase in duties. We have been pretty chary, we think, in increasing

the rates sent us by the House, but it did seem, in view of the representations of the men employed in the pottery business, the workmen who, by their association representatives, came and laid these facts before us, that a slight increase was justified. I think that that has been the impression of the Senators who to-day have talked with the representatives of the men employed in that industry. We ought not to leave them any longer suffering from a continuous decline in employment while we watch the place of their output being taken by imports from countries where cheaper labor is employed.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. REED. I yield the floor.

Mr. COPELAND. Just a moment. I wish to ask the Senator a question. I was wondering why in the amendment which was added to paragraph 211 the committee start at 50 cents and fix the price at 50 cents instead of a dollar.

Mr. REED. Frankly, I myself would have been delighted to see it made a dollar.

Mr. COPELAND. It is not a question of whether we are individually delighted with a thing, but rather the welfare of the industry and the welfare of the workers employed in it. Unless we can have a degree of protection which measures the real difference between the price paid American labor and the price paid in Japan or Czechoslovakia we are not going to do the industry any good.

Mr. REED. That is true; and personally I thought it ought to be a dollar, but the majority of the committee did not think so and I submitted to the decision of the majority.

Mr. COPELAND. I notice that Senators on my side of the aisle are willing to accept the House language provided that the words "10 cents a dozen" are omitted.

Mr. HARRISON. Mr. President, some of us over here are not willing to accept any increase over the rate in the present law. We are willing to leave the rate as it is in the present law, but we are not willing to support any increase. As the bill passed the House there is a somewhat greater increase than the Senate committee recommends, although both of them provide substantial increases.

Mr. COPELAND. Let me say in reply to the Senator from Mississippi that if we are to leave the rate where it is and to afford no more protection than that afforded by the present law, we are not going to help the industry a particle.

Mr. HARRISON. I will say to the Senator that my colleague from Kentucky [Mr. BARKLEY] has some figures as to the profits of some of these poor manufacturers who have not received sufficient protection, and those figures speak in very loud words as to whether or not the industry needs further increases in tariff duties.

Mr. COPELAND. I suppose those figures relate to high-grade china.

Mr. HARRISON. They relate to the profits which the manufacturing concerns are making.

Mr. COPELAND. I take it they do not relate to the hotel china, the cheap china, the sort of china we are making here in competition with that produced in central Europe and Asia. If we are going to consider this bill at this time on its merits, each individual item must be considered in relation to the industry and to the effect upon labor. So far as this bill is concerned, I assume that it never will be in such shape that I can vote for it, but when an item is reached which is so important to my State as is this particular item it is my purpose, so far as I can, to bring about more protection than we have at present, because, unless I am deceived, there is great need in the State of New York and in other States where pottery of this type is made for higher protection than is accorded under the present law.

Of course, I shall listen with great interest to what the Senator from Kentucky may say, but, as at present advised and from the information I have, I am convinced that unless this industry is to die in certain sections of the country there must be more protection afforded than is afforded at present.

Mr. GOFF. Mr. President—

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. BARKLEY. Mr. President, I had hoped that we might dispose of these two paragraphs without much discussion, and, both privately and otherwise, I have made every effort I could to facilitate the consideration of these two items, which are more or less closely related, but, inasmuch as they have been discussed, I desire very briefly to lay before the Senate what information I have been able to gather with reference to the pottery industry.

Mr. EDGE. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from New Jersey?

Mr. BARKLEY. Yes.

Mr. EDGE. Unless I misunderstood the Senator from Pennsylvania [Mr. REED], a few moments ago he made the statement that the Senate committee in considering this paragraph has slightly increased the rates as provided by the House bill. If he made that statement, I am quite sure he is wrong. A résumé of the different changes in paragraph 211—I will not take the time of the Senate to go over them now—will plainly indicate that we have slightly—no, decidedly—reduced in the total the rates as provided in the House measure.

Mr. HARRISON. Mr. President, will not the Senator—

Mr. EDGE. Just a moment.

Mr. REED. Will the Senator yield to me to reply?

Mr. EDGE. I will yield to the Senator from Pennsylvania, having directed my suggestion to him.

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. BARKLEY. I yield to the Senator.

Mr. HARRISON. I hope before the Senator from Pennsylvania proceeds to reply that the Senator from New Jersey will tell us what he means when he says that the rates have been "slightly" or "decidedly" reduced.

Mr. EDGE. It all depends upon the amount of material. I will be glad to answer the Senator—although the Senator well knows without an answer—that it is impossible to figure out what an ad valorem rate actually amounts to until there is known the total value of the goods involved. When a reduction is made of 5 per cent or an increase of 5 per cent it is a matter, of course, of computation as to whether the reduction or the increase, as the case may be, is large or small. So I will correct my statement to that extent.

Mr. REED. Mr. President, let me reply to the Senator from New Jersey by saying that if I suggested that we had increased the House rates, that was certainly an erroneous statement in every respect but one. The change from 50 per cent to 55 per cent and the elimination of the 10 cents specific rate does effect a slight increase in the very expensive decorated chinaware. In every other respect, as to both decorated and undecorated ware, the rate which we recommend is equal to or less than the House rate.

Mr. EDGE. Mr. President, if the Senator from Kentucky will allow me further, I should like to add right there, in further answer to the Senator from Mississippi, that as nearly as we could figure the rate on the undecorated type of china, with the change proposed by the Senate committee, it is estimated that the ad valorem of 62½ per cent will be reduced to 49.3 per cent, or a decrease of 21 per cent in white undecorated ware.

Mr. BARKLEY. Mr. President, in order to get the situation clearly before us, it might be well to state that under the present law undecorated earthenware bears a duty of 45 per cent. Decorated earthenware bears a duty of 50 per cent. Undecorated china has a duty of 60 per cent. Decorated china has a duty of 70 per cent.

Of course, there is a wide difference between earthenware, table articles, and china. It may be possible to make them out of the same sort of clay in some instances, but the process is entirely different.

In 1926 we produced a total of \$116,493,308 worth of pottery. That included all sorts of pottery. In 1927 we produced \$111,612,000 worth, being a reduction from 1926 to 1927 of about \$2,500,000. In 1927 we imported \$20,229,272 worth of all sorts of pottery, and last year we imported \$17,771,000 worth, representing a reduction in imports practically equal to the reduction in our domestic production.

I take it for granted that we are interested in knowing, and I am especially interested in considering, whether the pottery industry in the United States is in distress; and if so, what portions of it, and the cause of that distress if it exists.

The average equivalent ad valorem tariff now on pottery of all sorts coming into the United States is 61.14 per cent, which is a rather high tariff, considering the demand of the American housewife for certain articles of tableware which she purchases and uses. The proportion of labor cost in the production of this American pottery is \$47.85 for each \$100 worth. In other words, while the labor cost of producing pottery in the United States constitutes 47.85 per cent, the tariff on the pottery that comes into the United States is 61.14 per cent. So that the tariff now in existence on pottery coming into the United States is nearly 15 per cent greater than the total labor cost that goes into the manufacture of American pottery.

Mr. REED. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Pennsylvania?

Mr. BARKLEY. I do.

Mr. REED. Does not the Senator realize that the tariff is based on the foreign invoice price, while the percentage of American product, such as labor, is based on the American price?

Mr. BARKLEY. Oh, yes; I realize that the tariff is based upon the foreign-invoice value; but certainly the difference of 15 per cent in the total labor cost of American pottery and the tariff we levy on it is something that has to be taken into consideration when we consider an increase in the tariff in this bill.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. BARKLEY. I yield to the Senator from Utah.

Mr. SMOOT. I understood the Senator to say that on earthenware and crockery the average ad valorem rate was 61 per cent.

Mr. BARKLEY. Yes; 61.14 per cent.

Mr. SMOOT. That can not be.

Mr. BARKLEY. Why not?

Mr. SMOOT. Because 45 per cent and 50 per cent are the rates in the existing law.

Mr. BARKLEY. Yes; but the Senator does not take into consideration the 60 and the 70 per cent.

Mr. SMOOT. That is porcelain ware.

Mr. BARKLEY. I am talking about all importations now.

Mr. SMOOT. The Senator referred to earthenware and pottery. That was his statement. I am quite sure, if he will read the Record, that he will find that that is what he said.

Mr. BARKLEY. Pottery, of course, as used there, is a generic term which includes all the products of the kiln.

Mr. SMOOT. But the Senator now takes in paragraph 212, which is the china and porcelain paragraph. That imposes a rate of 70 per cent ad valorem on certain grades.

Mr. BARKLEY. I understand. I am talking about both paragraphs combined, and I use the word "pottery" to include not only earthenware but chinaware; and that was included in the importations which I stated of \$17,000,000 worth, and in the domestic production of \$111,000,000 worth. I am talking now about both earthenware and chinaware.

Of course, there is very little china—fine, high-grade china—ware—manufactured in the United States. We know that in the case of dinner sets, for example, there is only one company, the Lenox Co., which makes a very high-grade chinaware which is used in the American home and to some extent in the American hotel. The difficulty here arises largely on account of the cheaper grades of chinaware, where it is alleged that articles from Japan and Czechoslovakia and probably from Germany come in competition with the American product.

Mr. COPELAND. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from New York?

Mr. BARKLEY. I yield to the Senator.

Mr. COPELAND. I take it that the figures I am using are the same as the figures the Senator has quoted. I notice, for instance—and it is largely in the cheaper grades, as the Senator has just said—that the importations from Germany have increased 113 per cent from 1923, while the increase in Japanese importations has been about 48 per cent. So there has been a tremendous increase in the importation of these cheaper grades of china.

Mr. BARKLEY. Of course, there was hardly anything coming in from Germany immediately after the war, and almost any increase could have been figured up as 100 per cent.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Nebraska?

Mr. BARKLEY. I yield to the Senator from Nebraska.

Mr. NORRIS. I desire to ask the Senator a question. There is some dispute here with regard to the correctness of his statement, which I think has a very important bearing on this question.

The Senator has stated that the average ad valorem duty under present law on pottery, earthenware, and china—all included, as I understand, under the term "pottery"—is 61 and a fraction per cent. The Senator from Utah [Mr. Smoot] stated that the highest rate on any of these articles is 50 per cent ad valorem.

Mr. SMOOT. In paragraph 211, dealing with pottery.

Mr. NORRIS. I should like, and I know a number of Senators would like, to have that cleared up.

Mr. BARKLEY. I am talking about paragraphs 211 and 212 together. In paragraph 211 the highest rate is 50 per cent, but in paragraph 212, which deals with chinaware, the highest rate is 70 per cent; and, of course, that 70 per cent is a percentage of the higher-priced products, which, of course, adds to the figure.

Mr. NORRIS. I want to get the Senator's statement just as he really means it to be.

Taking pottery, which includes both the articles in paragraph 211 and paragraph 212, as I understand—

Mr. BARKLEY. That is right.

Mr. NORRIS. The Senator's statement is that the average ad valorem duty under existing law is a little over 61 per cent?

Mr. BARKLEY. Yes, sir; that is correct.

Mr. NORRIS. I think that is conceded to be correct over here. Will the Senator indulge me further?

The VICE PRESIDENT. Does the Senator from Kentucky yield further to the Senator from Nebraska?

Mr. BARKLEY. I do.

Mr. NORRIS. I think the Senator started a few moments ago, when he was speaking of those who are engaged in the business, to give the profits of the concerns. Has the Senator that information?

Mr. BARKLEY. I am going to give that a little later.

Mr. NORRIS. I think that will be exceedingly valuable information.

Mr. BARKLEY. Now, Mr. President, I wish to quote from a report of the Tariff Commission.

In the period of 1926 to 1928 the volume of annual imports of earthenware and china—

That includes everything—

consisting, for the most part, of fancy art and novelty wares, has averaged two and three-quarters million dollars. The imports of earthen articles have been about equal in total value to the imports of china or porcelain articles. It is impossible to say what proportion of the imports of the above classes of pottery consists of articles like or similar to domestic products in types of decorations or in use. It is known, however, that a large part of the imported ware, particularly the relatively inexpensive fancy and novelty china articles from Japan, is dissimilar to any wares produced in the United States, and is not, for the most part, competitive with domestic pottery.

This is a statement furnished me by the Tariff Commission to-day.

Such articles obtained from Japan are purchased by the American public largely because the decorations are typically Japanese or the article itself is unusual. In addition, a not inconsiderable proportion of the imports from Japan consists of toy sea sets, for the most part composed of china. Similar articles are not made in the United States, and the imposition of high rates of duty on such wares increases their cost to the consumer without benefiting the domestic pottery industry.

The imports to which this reference is made are the imports from Japan, largely, which have been referred to by the Senator from Pennsylvania [Mr. REED] and the Senator from New Jersey [Mr. EDGE].

Now, by way of comparison of the prices at which chinaware and earthenware—whichever it may be—are landed in the United States, I wish to quote some figures which have been furnished me by the Tariff Commission:

Comparison of values of domestic and English 100-piece undecorated dinner sets, f. o. b. New York.

English, 12 sets per crate; domestic, 10 sets per crate.

That affects only the freight.

The cost in the city of New York per dozen of these English imported articles amounts to \$11.20. That does not include the importer's expenses in the city of New York, or any profit on the part of the importer. The comparable domestic article in New York is worth \$10.28. So that the English imported article in New York, without any profit or any cost on the part of the importer, amounts to 92 cents per set more than the domestic cost laid down in the city of New York.

On earthenware, that now bears a duty of 50 per cent under the act of 1922, the cost of laying down in New York an English importation amounts to \$19.80 without any expense on the part of the importer in New York and without any profit to the importer, while the domestic article is laid down in the city of New York at \$19.22.

A white teacup and saucer—

Mr. GOFF. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from West Virginia?

Mr. GOFF. I should like to ask a question in this connection. If the Senator prefers that I delay it until he finishes, I will do so.

Mr. BARKLEY. I should like to go through this list first.

Mr. GOFF. Very well.

Mr. BARKLEY. Now I will give the Senator the figures on a white teacup and saucer imported from Germany.

The price of the cup and saucer imported from Germany, laid down in New York, without the additional 10 cents per dozen tax which is proposed in the amendment of the House and in the amendment of the Senate committee, is 84½ cents per dozen. The selling price of the competitive domestic article is 86 cents, but if we add the tax proposed in this amendment, 10 cents per dozen of each class of pieces, which means 20 cents per dozen, considering the character of cups and saucers as double, we have a foreign price laid down in the city of New York of \$1.045, compared with the domestic price for the domestic article of 86 cents per dozen.

We have here the figures as to a white coffee cup and saucer imported from Germany, laid down in New York without the additional 10-cent tax, and without any profit to the importer, and without any cost to the importer in the city of New York, for \$1.02 a dozen.

Now we come to the higher grades of china, bearing a 70 per cent duty. Decorated china dinner sets, a hundred pieces, laid down in the city of New York, are imported from Germany at \$22.73, minus the importer's profit and minus the importer's cost in New York.

Domestic decorated earthenware dinner sets, \$19.22, and a domestic decorated chinaware dinner set, which is of the type, I presume, made by the only concern in the United States that makes china dinner sets, at \$46.73. The \$22.73 on the imported article from Germany, which corresponds largely with the American decorated earthenware dinner set, is without profit or cost in the city of New York to the importer.

A china dinner set imported from Japan bearing the 70 per cent tax under the present law costs in the city of New York \$24.19, without profit or cost to the importer. The same figures are given as to the domestic earthenware dinner set of comparable decoration, of \$19.22, and of the more elaborate and higher class American china, presumably manufactured by the Lenox Co., amounting to \$46.73.

We have here a comparison of values of domestic and German assortments of decorated china, hotel ware, f. o. b. New York. The German imported article, without profit to the importer or expense in New York, amounts to \$39.07. The American product laid down in the city of New York amounts to \$39.62. There is a difference of 55 cents per set between the domestic article and the imported, but when we add profit of the importer in New York and the cost of handling in the city of New York the imported article will cost more than the domestic article of the type referred to.

I have here data as to a decorated coffee cup and saucer imported from Germany, landed in the city of New York at \$1.30 per dozen, minus importer's expenses or profits in the city of New York. We have here also figures as to a teacup and saucer, blue-print decoration, which has no comparable article of manufacture in the United States, which is landed in New York at \$1.06 per dozen.

Mr. President, I desire now to refer briefly to the differences in the methods of manufacturing this earthenware and china. In 1927 there were 55 domestic potteries, employing 13,395 wage earners, producing mainly earthen tableware, and four other plants reporting production of such ware as a secondary product. In 1925 there were 59 establishments, employing 13,480 wage earners. Of the 55 establishments reporting in 1927, 34 were located in Ohio, 7 in West Virginia, and 3 in Pennsylvania. The industry is largely centered in East Liverpool, Ohio, which includes several potteries near by in West Virginia. Trenton, N. J., is also an important producing center.

I read now from a report of the Tariff Commission, which, of course, is impartial and nonpartisan:

In the past two or three years there has been considerable unemployment in some plants, accounted for in part by the greatly increased production by a comparatively few companies which have built new plants in which have been installed so-called tunnel kilns.

The tunnel kiln, as the name implies, consists of a firing chamber 300 feet or more in length. The ware to be fired is placed on cars which are automatically moved through the kiln at a fixed rate of speed. The movement of the cars is continuous, and production by this method is not economical unless the full capacity of the kiln is utilized continuously. The average domestic tunnel kiln is equivalent in capacity to from 8 to 10 or more of the ordinary old-type intermittent kilns commonly known as beehive kilns. The tunnel kiln, as com-

pared with the intermittent kiln, is more economical with respect to total fuel cost per unit of product, and a smaller number of employees is required for the former than for the latter type of kiln per unit of product.

Mr. COPELAND. Are the factories about which the Senator is talking now making the high-grade china? They are not the ones making the cheap hotel china?

Mr. BARKLEY. The factories to which I am referring are not making high-grade china comparable with the high-grade English china. There is only one company in the United States that makes that, and that is the Lenox Co., in New Jersey.

Mr. COPELAND. But in speaking about where these factories are located, the Senator has placed them in Ohio, Pennsylvania, and some other States. As a matter of fact, the low-grade china, the cheaper grade of china, is made largely in New York State. So I assume the criticism passing upon that method of manufacture applies more to the high-grade china than to the cheaper grade.

Mr. BARKLEY. This applies to all grades of china. It is not necessarily the china of high grade.

I read further from this report of the Tariff Commission:

The tunnel kilns installed by the largest producer in the country, the Homer Laughlin China Co., with plants in East Liverpool, Ohio, and in the adjoining town, Newell, W. Va., have greatly increased the productive capacity of this company. It is probable that at the present time the Homer Laughlin China Co. produces about 30 per cent in value of the total domestic production. The additional unit the company proposes to build will materially increase the ratio of the company's production to the total production.

The enormous output of the tunnel kilns is largely absorbed by the chain stores which, for the most part, sell the less expensive articles, such as plates and cups and saucers, undecorated, or with comparatively inexpensive types of decorations. In fact, the large quantities required for the chain-store trade have made possible the somewhat extensive use of the tunnel kiln in this country.

Mr. GOFF. Mr. President, I would like to ask the Senator if it is his purpose to compare the Homer Laughlin Co. production with the production possibly of some other manufacturing plant in the same line of productivity?

Mr. BARKLEY. I propose to compare wherever the production is comparable. I refer to that concern because the Homer Laughlin Co., located in East Liverpool, Ohio, with a branch in Newell, W. Va., produces a very large proportion of the cheap china articles that are found in the 10-cent stores of the United States, which, it is complained, are in direct competition with the cheap articles coming from Japan, Germany, and Czechoslovakia.

Mr. GOFF. My question to the Senator is, Just because one manufacturing plant can so produce, is the standard of tariff protection to be levied against all the others according to the capacity of this one individual plant?

Mr. BARKLEY. If it turns out that this one particular company, which is the largest in the United States, has adopted methods of manufacture which enable it to compete with all classes of chinaware, whether made in the United States or imported from other countries into the United States, it does become a pertinent question whether we are to levy a tax that will operate as a barrier to modernized production of this universal household product in order that we may sustain industries that are not sufficiently progressive to adopt modern methods of manufacture, but still cling to the old-fashioned, out-of-date methods by which this article is produced.

Mr. GOFF. Will the Senator state some other plant that maintains as efficient a tunnel-kiln process of manufacture as the Homer Laughlin plant?

Mr. BARKLEY. I do not have a list of all the pottery manufacturers in the United States, but I will state to the Senator that many of the other manufacturers are putting in the tunnel process, by which chinaware and earthenware are made more cheaply than by the old kiln process, which has been already described. In the production of high-grade chinaware, about which we are not speaking, there is in the State of New Jersey a very prosperous and very successful company which is using the modern methods of manufacture.

Mr. President, I wish also to state that the particular company of which I have just been speaking, the Homer Laughlin Co., has been exceedingly prosperous, so much so that it has declared dividends at the rate of 8 per cent on its capital practically ever since its organization.

Mr. GOFF. Mr. President—

The VICE PRESIDENT. Does the Senator yield to the Senator from West Virginia?

Mr. BARKLEY. I do not yield just at this point, if the Senator will excuse me.

Mr. GOFF. I wanted to know just what company was declaring this dividend of 8 per cent.

Mr. BARKLEY. The Homer Laughlin Co. The stocks of companies manufacturing table and kitchen ware, classified in paragraphs 211 and 212, are very closely held, and information regarding their financial status is not easy to obtain. The largest manufacturer of the above items in the United States, and probably in the world, is the Homer Laughlin China Co., which has 160 kilns and manufactures approximately 25 per cent of the entire United States production.

This company has for many years paid 8 per cent on its \$4,000,000 common stock, increased from two million since 1920. It has no funded debt, and the stock is very closely held. Poor's Manual of Industries have dropped the company from their last two editions, as it is a close corporation and financial reports can not be obtained.

Mr. Wells, secretary of the company, stated in his brief that his company and the second largest, for the past three years had earned an average of 10½ per cent on sales. That would be considerably increased if based on investment. He appeared before the Senate committee on behalf of the United States Pottery Association, and stated under oath:

I would have a very poor case, indeed, if I stood for the Homer Laughlin China Co.

The Lenox Pottery Co., according to a sworn statement of its president, earned net profits of 4½ per cent in 1928, 5½ per cent in 1927, and 6½ per cent in 1926, on an invested capital of over a million dollars.

This invested capital was built entirely from earnings on an original cash investment of \$7,000 in 1889, which has multiplied itself one hundred and forty times in the last 40 years.

Mr. NORBECK. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from South Dakota?

Mr. BARKLEY. I yield.

Mr. NORBECK. Is it not a fact that the pottery industries that are the least prosperous have been making 4½ per cent? Is not that what it amounts to?

Mr. BARKLEY. I am not able to give the Senator the figures. I have a notion that the less prosperous potteries in the United States are those which are using the old methods of manufacture and it may be that they are not making profits.

Mr. NORBECK. The more prosperous ones have not only doubled their capital but have also paid large dividends since the deflation came on?

Mr. BARKLEY. One very prosperous concern has been paying an average of 8 per cent on its capital stock of \$4,000,000, which in 1920 was \$2,000,000 and doubled since that time by a stock dividend. The secretary of that concern testified that they were making 10½ per cent on their sales. The Lenox Co., in New Jersey, which makes a high-grade chinaware which competes, if any of it competes, with the high-grade English chinaware coming into this country, multiplied its capital stock fourteen times since the original \$7,000 was invested, until now its capital stock amounts to about \$1,000,000, on which it has made profits ranging from 5.5 to 6.8 per cent.

Mr. GOFF. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from West Virginia?

Mr. BARKLEY. I yield.

Mr. GOFF. As I understand the Senator from Kentucky, his contention from the summary of facts which he has just read is that he would deny to the china and pottery plants that produce 75 per cent of the china and pottery produced in the United States the protection necessary to keep them going because one company which produces 25 per cent pays a dividend of 8 per cent on its investment?

Mr. BARKLEY. No; that is not my contention. My contention is that a concern which manufactures practically all of the cheap grades of chinaware sold in the 10-cent stores, with which it is alleged the foreign importation comes in competition, which has increased its product and profits to such an extent that it practically supplies the entire 5-and-10-cent store demand of the United States, does not need any additional protection. If we had the 10-cent per dozen rate, as proposed in the Senate committee amendment and the House text, it would give additional protection to this particular concern, which is making a large proportion of the cheap articles, so far as domestic manufacture is concerned, by reason of the modern processes it has installed in its factories.

Mr. GOFF. The Senator will concede, no doubt, that the capital invested in the production of china and pottery is not all

of it invested in the Homer Laughlin plant, that is producing 25 per cent of the domestic production. If that be so, then to deny to the other capital and to the other plants so engaged the protection necessary to keep them going is to create a monopoly in favor of the plant that can so produce and so supply the chain stores.

Mr. BARKLEY. Not at all. The truth is that the chain-store supply has been largely furnished by this particular company. They have fed the demand for the chain-store supply by having cheap products which they have been able to sell to the 5-and-10-cent stores to such an extent that it has met the competition of the ware coming in from Japan, which the Tariff Commission describes as being desired by certain American consumers because of its peculiar coloring and decorations appealing to certain tastes of the housewife which actuates her to desire a little toy tea set or some fancy articles that stand on the table or the buffet or somewhere about the house. Of course, that is not a serious competition because the Tariff Commission says there is no comparable article made by the American producer.

Mr. GOFF. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield for one more question but I am anxious to proceed.

Mr. GOFF. Then is it the Senator's contention that the remaining 75 per cent of the plants so engaged do not need any protection or any assistance to keep them going against the cheaper type of earthenware that is produced in the form of pottery and other chinaware from China and Japan and Czechoslovakia?

Mr. BARKLEY. I do not make that contention. The Senator of course realizes that there is already a duty of 45 and 50 per cent on the articles which they make. What I contend is that the organizations which it is claimed are now not prosperous need more protection against the efficient methods of Homer Laughlin & Co. than they do against foreign importations. The Tariff Commission's own figures show that whatever distress they are suffering now is largely due to the fact that this great corporation have installed all of these modern methods of manufacture and are able to compete in the American market with these very concerns in the stores that sell the cheaper products which are affected by the 10-cent per dozen rate fixed by the Senate committee and the House.

Mr. GOFF. The Senator knows they have the tunnel system in Europe, does he not?

Mr. BARKLEY. No; I do not know whether they have or not.

Mr. GOFF. The report to the Tariff Commission clearly and distinctly sets forth that very salient fact.

Mr. BARKLEY. The information I have from the Tariff Commission does not state whether they have the tunnel system or not. I asked the Senator from Pennsylvania [Mr. REED], who comes from a pottery State, whether they were using it, and he was unable to answer me.

Mr. GOFF. They do not have the tunnel system in Europe, but they have labor which is so cheap that it takes the place of the tunnel system used in this country in its productivity.

Mr. BARKLEY. I imagine the pottery industry in Germany, which is about as efficient as in the United States, has to some extent adopted the tunnel system in place of the old-fashioned beehive system, although I am not certain that that has occurred.

Mr. President, I do not desire to occupy unnecessarily the time of the Senate in discussing this proposition. I have shown here, I think by figures which are not to be disputed because they come from the Tariff Commission, that these comparable articles are laid down in the city of New York at a higher price than the domestic article with one or two exceptions; that the great company which is manufacturing these cheap articles by modern processes is not only able to compete with all foreign importations, but it has been able to compete with the domestic factories to the extent that it has almost driven some of them out of business.

The question which presents itself to me is whether it is the duty of Congress to levy an additional tax above the 45 and 50 per cent that is already enjoyed by all American earthenware potteries by fixing the rate at 10 cents per dozen pieces, which amounts to 20 cents per dozen for the sets of cups and saucers, in order that we may enable concerns that have been either unable financially or so intellectually unprogressive as to cling to the old methods, instead of adopting the new methods which have already been described here by Senators who have preceded me, as well as by myself. I can not convince myself that the American housewife, whether she be the wife of a farmer or a clerk or a mechanic or a railroad engineer or a fireman or brakeman, who finds it convenient or necessary to buy these

cheaper articles of china and earthenware with which she wants to equip her household, must be required either to pay a higher price or be unable to obtain them at all in the stores where she has been in the habit of purchasing them, because if the 10-cent tariff is added to those articles in all probability it will make it impossible for the stores to handle them under the 5-and-10-cent plan, but they will have to increase them above 10 cents, which will place them in the 15 and 20 cent class of articles purchased in those stores.

Mr. COPELAND. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from New York?

Mr. BARKLEY. I yield.

Mr. COPELAND. I know the Senator wants to be entirely fair. I have a conception, though, that he is forming conclusions relative to the whole industry, particularly the factories turning out the cheap products, based on the profits of some of the concerns which put out the high grade, expensive ware.

Mr. BARKLEY. I will say to the Senator that the Homer Laughlin Co., to which I have referred, is not putting out any expensive ware, but is making a specialty of the cheap articles sold in the 10-cent stores. They supply practically the entire 5-and-10-cent store market in the United States.

Mr. COPELAND. And by reason of that fact it is a noncompetitive field. It puts the entire product into the 5-and-10-cent stores and hence it is not involved in rough-and-tumble competition in the ordinary sense.

Mr. BARKLEY. It has been able to manufacture these products cheaper than other American producers and cheaper than any imported article that comes in competition with them.

Mr. COPELAND. But, referring to a great concern like the Woolworth 5-and-10-cent stores, if a competitive manufacturer is fortunate enough to get the business of that concern, it is no longer in competition in the ordinary sense. Its output is taken care of. It has to have no special profit because there is a certainty of income. I have in mind the institutions in my State. I do not think the Senator pays any attention to them.

Mr. BARKLEY. I do not know what institutions there are in the Senator's State.

Mr. COPELAND. We are making 40 per cent of this type of pottery.

Mr. BARKLEY. It is inconceivable that Woolworth or Kresge or any other of the 5-and-10-cent stores, would take the product of Homer Laughlin & Co. in preference to imported articles or domestic articles if they could obtain them from other sources more cheaply than they could from Homer Laughlin & Co.

I desire to refer briefly to a few other companies. The Chenango Pottery Co., chinaware manufacturers in the city of Newcastle, Pa., have announced an expansion program which will almost double the plant capacity and increase the working force from 800 to 1,500 employees. Excavation has already been started in the excavation of the tunnel kilns for this concern.

The Sterling China Co., pottery ware manufacturers at Wells-ville, Ohio, has announced a \$25,000 improvement program, including the construction of new-design tunnel kilns. Contracts for the construction of the tunnel kiln costing approximately \$200,000 has been awarded by the Mayer China Co., of Beaver Falls, Pa.

The Homer Laughlin Co. is now completing a \$1,500,000 plant in Newell, W. Va.

Mr. President, in conclusion permit me to say that I am in entire sympathy, based upon the fundamental principles involved in the bill, with giving to every industry and every class of workmen who are employed by industry the same kind of treatment. I am not in favor of giving rates to one industry that protect it to a certain extent and denying those rates to another industry that is as anxious for them and in as great need for them. But we are living in a progressive age. Machinery is being improved and changed. Methods of manufacture are undergoing revolutionary changes within a period of five to seven years. The Senator from Pennsylvania [Mr. REED] a while ago referred to the fact that seven years ago there was only one method of manufacturing pottery and that was by the old-fashioned kiln. During that seven years the methods of manufacture have been so completely revolutionized that all of the progressive, up-to-date, modern concerns of the country have either adopted, or are in process of adopting, the modern method by which they are able to turn out a greater quantity per employee at a cheaper rate per unit.

It will only be a few years—I should say in the next two or three years—in my judgment when all of the pottery factories

in the United States will be compelled to resort to this modern method of manufacture, just as all manufacturers of window glass are now being driven to the abandonment of the old-fashioned cylinder process and are compelled to use the rolled sheet process, by which they are able to make not only enormously more in quantity but to produce window glass at a cheaper rate per unit and to place it on the American market in competition not only with American industries but with the imported article coming from anywhere else in the world. In other words, I believe that this 10-cent tax added to the 40 and 50 cent tax already in existence on earthenware products and the 60 and 70 per cent on chinaware products will, in effect, be a tax in support of inefficiency; will be a tax in support of antiquated methods.

I do not believe it is fair to tax the American housewife, the American bread table, the American kitchen, the American hotel, or any other class of users of this character of earthenware in order that we may sustain even for a year or two factories that are so short-sighted they are not willing to adopt the modern methods of making this product, not only for the benefit of their own profits but for the benefit of the American people as well.

Mr. GOFF obtained the floor.

Mr. COPELAND. Mr. President, before the Senator from West Virginia proceeds, will he yield to me for a few minutes?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from New York?

Mr. GOFF. Certainly.

Mr. COPELAND. Mr. President, I hold in my hand a letter from the National Brotherhood of Operative Potters, of Buffalo, N. Y., making this statement:

I wish to call your attention to that part of the tariff bill dealing with pottery ware. The duty on pottery has been increased, and this is so vital to the pottery workers that we are asking you to support this part of the tariff bill for a higher duty on pottery ware.

I sympathize with all the things that have been said by the Senator from Kentucky about the housewife; but the fact remains that there are wives of pottery workers and many other wives who can not have any of the luxuries of life, if they get the bare necessities, unless in formulating the pending tariff bill we give protection to certain industries.

I am satisfied from a study of the question that in my State this industry is entitled to more protection than it has at present. If I am permitted to do so, at a later time I want to go into the matter in some detail; but I could not let the eloquent address of my colleague from Kentucky pass without calling attention to those other housewives in America who need protection and aid just as much as does the large group spoken for by the Senator from Kentucky.

Mr. BARKLEY. Mr. President, will the Senator from West Virginia yield further?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Kentucky?

Mr. GOFF. I yield.

Mr. BARKLEY. I wish to say to the Senator from New York that neither he nor any other Member of this body can possibly sympathize with the wife of the man who is working in a pottery plant to a greater extent than can I. Of course, I realize that in dealing with this question from the standpoint of labor, if that is to be the standpoint which is to control us, we must also not overlook the fact that there are millions of housewives whose husbands are working in industries which will receive no protection whatever under this bill should it become a law, and have received none under any other law that has ever been enacted. There are millions of wives who are just as deserving as the wives of pottery workers and whose husbands are employed in industries that receive no protection whatever. The Senator from New York, I am sure, does not wish to lose sight of the other hundreds of thousands of housewives who probably do not oversee households where the income is so great even as that derived by the workers in this particular industry. The husbands of those housewives may and do belong to other organizations of fellow workers.

The question that arises is, Are we to overlook all those other hundreds of thousands of housewives in order that we may give special consideration to one group that may be no more deserving than the other thousands to whom I refer?

Mr. COPELAND. Mr. President, will the Senator from West Virginia yield for another moment?

The VICE PRESIDENT. Does the Senator from West Virginia yield further?

Mr. GOFF. I yield.

Mr. COPELAND. Mr. President, we are having under consideration at this moment the pottery workers. I will join with the Senator from Kentucky or with every other Senator in any enterprise that will take care of the other housewives, but just now we are considering the pottery schedule.

Mr. BARKLEY. If the Senator from West Virginia will yield further, I desire to say that the Senator from New York comes from a great city of 6,000,000 or 7,000,000 people. There are hundreds of thousands of housewives in New York City whose husbands work for very low wages in industry and who are not protected by any schedule in the pending bill. Not only do I desire to do justice to the wives of those who are engaged in making pottery but I wish also to do justice to the other hundreds of thousands of wives whose husbands work in industries and in establishments not only in the great city of New York but in every other city in this country and in the rural sections as well who are compelled to buy the products the cost of which we may, in our zeal for one particular group, increase for other groups that are just as deserving.

Mr. COPELAND. Mr. President, will the patient Senator from West Virginia bear with me for another moment?

The VICE PRESIDENT. Does the Senator from West Virginia yield further to the Senator from New York?

Mr. GOFF. I yield.

Mr. COPELAND. The Senator from Kentucky is not half so interested in the housewives of New York as am I; but I want to say, Mr. President, that there is not a housewife in the city of New York, so far as I know, who is not anxious to have the wives of those engaged in the pottery business given the same chance to have some of the luxuries as well as the necessities of life.

Mr. President, I recently renewed knowledge which I previously had of conditions in Europe, spending several weeks in a number of foreign countries. When I see how the people there are exploited and the amount of service they give for almost nothing and then see how their employers push the commodities which they produce over here into this country at a price so low that our people can not compete, so far as I am concerned, as a Democrat, I am determined to do my part to make sure that the industries which truly deserve it may have sufficient protection, so that the workmen of this country may have some share in the gravy of life which they are not getting now, in my judgment, in the pottery business.

Mr. BARKLEY. Mr. President, will the Senator yield to me there?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Kentucky?

Mr. GOFF. I yield.

Mr. BARKLEY. I should like to call the Senator's attention to the fact that when the tariff rates on pottery were increased in 1922 the proportion of the cost of production received by labor was 52 per cent, but under the tariff act of 1922, under which they enjoyed the highest rate the pottery industry has ever enjoyed, the proportion of cost to the laboring man who produces pottery has been reduced from a total of 52 per cent to 47 per cent. So, whatever tariff we levy on pottery, the laboring man does not obtain it. If I felt any assurance that the laboring man obtained it, I would be more willing to vote for it, but when, under an increase of the tariff, the proportion of the total cost is reduced 5 per cent, I doubt whether the laboring man will ever receive the benefit of this additional tax of 10 cents a dozen.

Mr. COPELAND. Mr. President—

The VICE PRESIDENT. Does the Senator from West Virginia yield further to the Senator from New York?

Mr. GOFF. I yield.

Mr. COPELAND. Is the Senate so impotent that it can not find some remedy for this disease? I want to see the bill so shaped that conditions may be improved.

Mr. BARKLEY. The Senator from New York is an expert in diseases, and I suggest that he find a remedy.

Mr. COPELAND. So far as this industry is concerned, I am convinced that the remedy is a higher rate of duty on pottery.

Mr. GOFF. Mr. President, I desire, in presenting the views which I entertain relative to this matter, to review briefly the pottery industry and the china industry, included in that term, in this country.

I desire to say at the very threshold that I do not think the subject should be approached with a desire or an intention on the part of any Member of this body to penalize inefficiency; nor do I feel that the subject should be considered in the light of increasing either the productivity or the income of the most highly efficient. This is a national question; it involves the entire United States. We are not to legislate for one section or for one State within a section; we are to do that which will make for the general prosperity of this country, realizing that

wherever we increase prosperity by inducing capital to take the chances of investment and at the same time employing labor we are increasing the prosperity of the Nation, not only locally and initially but nationally. To say that we can not and we will not, under the conditions which were adverted to by the Senator from Kentucky, grant the increase which is asked for, not only by invested capital but by employed labor, because if we do so we are going to add to the income of a corporation that declares an 8 per cent dividend, although there are many others that are declaring, according to the figures submitted by the Senator from Kentucky, only a 4 per cent dividend, seems to me to be not only illogical in concept but at the same time tends to bring about the very condition which we do not desire to see brought about in this country, namely, monopoly in any special industry.

Mr. President, I wish to say that Massachusetts, New Jersey, New York, Pennsylvania, Maryland, Virginia, Ohio, Michigan, Indiana, Illinois, Tennessee, California, and the State of West Virginia are interested in the manufacture and the production of pottery and chinaware. Many of the other States of the Union are more or less directly and indirectly interested in the production of the raw material. In passing let me say that much of the raw material which is used by the domestic manufacturers comes from the States of Maine, Connecticut, New Jersey, New York, California, South Carolina, Georgia, Florida, Texas, Missouri, Oklahoma, Tennessee, and to a lesser degree, many of the other States.

It is interesting, Mr. President, to have in mind and to consider that there are approximately, according to the reports of the Department of Commerce, 18,000 people employed in the industry of manufacturing pottery and china in the United States. It is therefore fair to say, as we calculate, that at least three or four times this number of persons are dependent upon the 18,000 so employed. In other words, we can premise the fact that at least 80,000 people in this country are dependent upon the maintenance and the upkeep of this manufacturing industry; and among that great number of people we will find not only the housewife who desires to have the income with which she can purchase the necessities of life but we will find also the housewife who is necessarily a purchaser and a consumer of the products of this great industry.

Mr. BARKLEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Kentucky?

Mr. GOFF. Yes; I yield.

Mr. BARKLEY. The company located at East Liverpool, Ohio, and at Newell, W. Va., which I discussed a while ago, has just started its new plant in operation. By reason of that it will be able to produce from 35 to 40 per cent of the total domestic output. Having been able under conditions heretofore existing to compete not only with domestic products but with imported products, does not the Senator think that an increased tariff on the articles which they produce will benefit them more greatly than any other concern, or probably all other concerns, and enable them to obtain an absolute monopoly by driving all others out of business sooner than they will even under the present law?

Mr. GOFF. I answer the Senator in the negative without the slightest hesitation; and then I will descend to this detail—that where there is competition in the domestic manufacturing of any product in the United States, a slight increase in the tariff is not appreciably added to the cost of the article to the consumer. The Senator and I may disagree upon that as an economic proposition; but, nevertheless, that is my view of the effect of a slight increase in the tariff when it affects an already going American concern.

As I was saying when the Senator and I engaged in this questioning and answering, the great handicap which the pottery industry has labored under in the United States is the cost of labor. In the cheaper and undecorated wares the labor cost is approximately 55 per cent. When the Senator from Kentucky was presenting his argument to the Senate, when he compared sections 211 and 212, he did not differentiate between the articles produced under the provisions of those sections.

Certain wares come in under each of these paragraphs in direct competition with the American manufacturers; and certain wares that come in under sections 211 and 212 are not in any sense in competition at all. It is, therefore, a confusion without the proper differentiation to compare these two sections.

Under paragraph 211, the competition that the American pottery manufacturer experiences in earthenware is in the higher class, and is not felt at all, so I am informed and so I find from a study of these statistics and these briefs.

Under paragraph 212, the American producer is not in any sense hurt by the importation of the fine china that comes in

from France and England. It is the cheaper china and it is the cheaper pottery that comes in from China, from Japan, from Belgium, from Germany, and from Czechoslovakia that competes with the American manufacturer.

The United States wages in this very connection are two and one-half times the wages paid in Great Britain.

In Germany, women work for from 8 to 10 cents an hour; whereas in the United States, when women engage in this industry, they are paid anywhere from 25 cents to 52 cents an hour.

In Germany, the wages paid to men range from 13 to 31 cents an hour, whereas in the United States they range from 42 cents to \$1.27 an hour.

The United States wages are from three and one-half to four times the wages paid in Czechoslovakia. The wages paid in the United States are four times the wages paid in Holland. The wages paid in the United States are four and one-half times those of Italy; and those that are paid in American production are eight times the wages that are paid in Japan.

I say, Mr. President—to use the term which this discussion has coined and brought forth—that the inefficient American producer can not keep going and compete with this importation that is flooding the American market.

Mr. FESS. Mr. President—

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Ohio?

Mr. GOFF. I do.

Mr. FESS. While the Senator is discussing the difference in wages, will he not take notice of the child labor that is used in some of these countries in which the selling agencies make it very clear that their goods are not subject to the child-labor regulations of the United States? Has the Senator gone into that phase of the matter at all?

Mr. GOFF. I have not gone into it, but I will take it up right now, so that we will discuss it just when the Senator has brought it to the attention of the Senate.

We know that in all of these countries that we have been discussing and mentioning there are no limitations upon the employment of child labor.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. Jones in the chair). Does the Senator from West Virginia yield to the Senator from Kentucky?

Mr. GOFF. I do.

Mr. BARKLEY. The figures the Senator has submitted with reference to the comparative wages of American and foreign labor are, of course, correct. He does not take into consideration the greater efficiency of the American laborer. I desire to ask the Senator whether he does not think that the greater efficiency of the American laborer absorbs the higher wage that he receives, out of which the employer makes a greater profit, and that that accounts for the fact that the articles about which we have been talking are laid down in the United States from Germany, from England, and from Japan at a higher price than the domestic article is laid down in the city of New York?

Mr. GOFF. My answer to the Senator, briefly—and I really have not the time to go into this matter in detail—is simply this:

I not only take into consideration the greater efficiency, the greater intelligence, the greater progressiveness of American labor, but I also take into consideration the fact that this intelligence and this energy and this capacity possessed by American labor and transferred into the finished product of America is entitled to first consideration by the American Congress. If the Senator carried his argument to its logical conclusion, it would be, "I would just as lief take at least 70,000 people in the United States and turn them out of employment in a certain specific industry in which they are skilled and to which they are qualified to devote themselves because labor to the extent of 10,000 people employed in one great industry is monopolizing or rendering more efficient production than the others."

It is not, Mr. President, that I am advocating in any sense, and I do not advocate, the protection of any special plant. I desire to say, so that there will be no misunderstanding, that while this great plant of the Homer Laughlin Co., located in my State, is said to be one of the most efficient in the United States, if not in the world, I am not standing here advocating the interests of that concern; and if there is any Senator within the range of my voice who thinks that that is the motivating force that causes me to advocate protection for this industry, I wish he would make known his thought in that connection. I want American labor employed not only in the manufacturing of this product but in the manufacturing of the by-products that enter into the production of pottery and chinaware.

Mr. BARKLEY. Mr. President, will the Senator yield there? The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Kentucky?

Mr. GOFF. I do.

Mr. BARKLEY. Further comparing the wage scale of American with other laborers, I wish to call the attention of the Senator to the fact that the American worker produces per annum in the brick industry 140,000 bricks, while in Germany the individual worker produces only 60,000 bricks per annum.

In the United States the average laboring man produces 77 tons of steel, while in Great Britain he produces only 25 tons of steel.

The United States worker produces 100 tons of tin plate, while the worker of Great Britain produces only 25 tons.

In the United States the American laboring man produces 6,500 pounds of flour, while in Great Britain he produces only 4,250.

In the United States the average workman produces in the course of one day 21 square meters of window glass, while in Sweden he produces only 10 and in Belgium only 11.

In the case of cotton yarn the average man in the United States produces 414 pounds per day, while in Japan he produces only 104 pounds.

And so on down the line of a large number of industries, indicating that the difference in wage is not the true measure of the value of the output, because in America the average man produces more than four times as much as the same man working at the same sort of industry produces in Japan.

Mr. GOFF. Mr. President, I have no disagreement with the Senator from Kentucky on the superiority of American labor. That is not the question that should be controlling in this matter. The question that should control us is the desire to keep this superior labor employed and at the same time bring about the increase of prosperity that will come to everyone dependent, directly or indirectly, upon the manufacturing of pottery and china products in this country.

The Senator from Ohio asked me some time ago if I had taken into consideration the fact that child labor was employed in many of the countries that are producing china and pottery in competition with the American plants. I have done so, and I know that the decreased cost of production, as compared with the cost of production relatively in this country, in the countries which export, is based largely upon child labor, the wages paid to children being lower than the wages paid to the ordinary person employed in those countries.

On account of earthenware carrying a lower rate of duty than china, both Germany and Japan have within the past two years increased their exports of earthenware. During the past years the increase from Japan in both value and quantity are shown by the following figures:

In 1927 Japan sent to the United States \$334,000 worth.

In 1928 Japan sent to the United States \$579,000 worth.

That represents an increase of 100 per cent in quantity that was imported from Japan into the United States.

The importing interests have endeavored to make capital out of two events that have occurred during the past year, and the same were used by several of those who are now advocating a reduction. These facts are, first, a combination of nine western factories; and, second, the enlargement mentioned by the Senator from Kentucky of the Homer Laughlin Co. in Newell, W. Va. Both of these instruments are in no way relevant in their bearing upon the question now before the Senate or to be determined here in the matter of this question.

It is obvious that in the United States there are between 50 and 60 plants which are now producing china and pottery. If they do not have the production necessary to keep them going and justify their competition with the cheap imported china, they must close down and discharge the men and women employed in their factories. There are 36 firms that have produced in three years and sold in round numbers \$69,000,000 worth of pottery ware. The total earnings of those concerns in these three years are \$1,680,000, and the total losses were \$1,267,000, showing a net gain in three years on the total business of \$69,000,000 of only \$413,000, or an average gain per year on sales of six-tenths of 1 per cent.

In that connection we who advocate a tariff that will keep these inefficient firms, as they have been denominated, going and paying living wages to the men and women who work therein, are met with the statement that we must not allow them to continue because to permit them to continue is to render more secure and perpetual some of the self-sustaining corporations.

In this connection it was stated by the Senator from Kentucky that the installation of the tunnel kiln was a very important, efficient addition to the American manufacture. The

installation of the tunnel kiln is, of course, important. It presupposes and involves several additional discoveries and mechanisms, and that the pottery plant has sufficient ground space for the erection of such a kiln—and these kilns measure from 300 to 375 feet in length and 30 feet in width, including operating space.

It is only necessary to comment, in passing, that many of these plants do not possess the necessary ground and do not have the facilities for the installation of these kilns. Second, that the plants do not have sufficient shop capacity to produce enough ware to feed the continually devouring and operating machine known as the tunnel kiln. The organization that institutes and adds such kilns to its productive capacity must have sufficient capital to invest approximately \$300,000 for such kiln.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. SMITH. What number of persons are employed in the pottery establishments in the Senator's State to which he has referred?

Mr. GOFF. I would say to the Senator that there are between eighteen and twenty thousand persons employed in the United States.

Mr. SMITH. I would like to get it down to a concrete case.

Mr. GOFF. About four or five times that number are indirectly dependent upon the wages of the men and women so employed, and there are not to exceed 2,000, or 2,500, possibly, employed in the Homer Laughlin Co. plants.

Mr. SMITH. I am asking that for this reason: I have certain statistics here, certain comparative figures, in reference to the glass industry. I have not had an opportunity to look into the question of pottery, or find to what extent labor-saving devices have been installed to take the place of manual labor. Can the Senator give us any facts in reference to the improved machinery that is being used in the pottery business to take the place of human hands in the skilled production?

Mr. GOFF. I can only say to the Senator, roughly speaking, that there are in the United States between 50 and 60 plants. Some of them have recently closed down because of their inability to compete with the importations which now they are forced to meet, and there is only one plant, that is, the Homer Laughlin plant, which is located in West Virginia and in Ohio, that is to-day successfully maintaining the tunnel-kiln system.

Mr. FESS. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. FESS. I addressed a communication to East Liverpool, which is really the center of the pottery industry in Ohio, and asked how many of the factories or plants there were compelled to close down, as I had understood there were several. I had a reply, in which were given the names of the firms.

Seven different firms in the city of East Liverpool, which is across the river from the Newell plant, have entirely closed down. There was also one at Sebring, Ohio, and another at Wellsville, that might be regarded in that territory. So at least nine of the pottery plants in the city of East Liverpool and its immediate vicinity have entirely discontinued.

Mr. SMITH. Mr. President, may I ask the Senator from Ohio, if the Senator from West Virginia will allow me—

Mr. GOFF. Certainly.

Mr. SMITH. Is that on account of a lack of an adequate tariff—I mean a reasonable tariff—or is it on account of the inability of the plants he has named to compete with the plant in West Virginia, which has the up-to-date machinery and which has so overproduced this article that the market can not absorb it at a price which would keep the plants in Ohio going?

Mr. FESS. No; the Senator is mistaken; it is not the competition of the Laughlin plant over at Newell, to which he is referring; it is the competition of the industry in Japan that is causing this condition.

If the Senator from West Virginia will permit, I have the additional figures. There are 39 pottery firms, excluding the Laughlin China Co., which in 1923 operated 10,153 kilns, in 1928 only 6,814. The decrease in the five years was 3,359, or 33 1/4 per cent.

Mr. SMITH. Is that in the output?

Mr. FESS. In the number of kilns that were being operated. I do not want to take the time of the Senator from West Virginia—

Mr. GOFF. The Senator may go ahead, if he will not take much longer.

Mr. FESS. Let me give just one concrete example. In the town of Sebring, Ohio, a distinctively pottery town, founded by an American bearing the name Sebring, the first pottery was built in 1899. That is really a pottery town; there is very little outside of the pottery industry there. The second pottery was built in 1900, and so on.

The Sebring China Co., founded in 1899, employs, when conditions are normal, 325 people, and the annual wages are \$400,000.

The Sebring Pottery Co., built in 1900, employs 425, and the annual wages are \$600,000.

The French China Co., in the same town, built in 1901, employs 650 people, and the annual wages are \$800,000.

The Limoges China Co., founded in 1903, employs 650, and the wages are \$800,000 annually.

The Saxon China Co., built in 1907, employs 425, and the annual wages are \$600,000.

These were substantial pottery companies in the one town, which at one time were very prosperous, and they were up-to-date plants, but to-day they are running only at 40 per cent capacity, and with the prospect, unless something is done, that that town, together with the employees, will entirely cease production, so far as that industry is concerned.

Mr. SMITH. Mr. President, I shall not go any further, because I have not taken the time to check up on the pottery industry to find out to what extent improved methods of production have been installed, and to what extent individual production has been increased by virtue of the use of improved implements. I have checked up on the others, but I shall take the time to check up and see to what extent we have eliminated human hands, installed machinery, and increased the wages of the few we do retain, and call it the American wage, while we have turned out, without employment, hundreds of those who for a while were engaged as skilled laborers.

Mr. FESS. Mr. President, I desire to apologize to the Senator from West Virginia for interrupting an address that is fundamental on this subject, but I wanted to give two or three concrete examples.

Mr. GOFF. I appreciate very much the contribution of the Senator from Ohio. He has clearly added to the understanding of the question. In that very connection I wish to state a matter of my own personal knowledge.

Some months ago I talked in my State of West Virginia to men employed in the pottery and china industry who had come to the United States directly from Belgium. Some had become American citizens and the rest of them were on the way to become citizens of this great country. They stated to me individually and in conference that they could not compete with the china and pottery made in their home land. They said, "In the United States we have enjoyed a system of living and an elevation of personal ambition that was never before within the range of our imagination. Over here we work seven and eight hours a day and we have comforts that are not enjoyed or dreamed of by the people in Belgium. Over there," they said to me, "men and women and children work from sunrise to sunset. They have no hours of labor. They have nothing that controls them or restricts the energy which they give to their occupation but the desire to live and the desire to get ahead."

"If you in the Congress of the United States do not give us a protection which will justify the continued employment of capital in these industries here, we know of our own knowledge and to our own satisfaction that capital will become timid and retire, and these factories will be closed, and we who know nothing but the occupation of employment in china and pottery plants will be thrown out of employment."

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Kentucky?

Mr. GOFF. I am willing to yield for a question, but I am anxious to finish. I do not want to yield, if the Senator will bear with me, for any continued debate. I would rather yield the floor later on and let the Senator from Kentucky take the floor in his own right.

Mr. BARKLEY. I desire merely to ask a question. The average increase in the cost of all commodities at this time above the cost of 1913 is in the neighborhood of 40 per cent. Economists have adopted what they call a price index, by which they gage present prices as compared with 1913 prices. The average increase in all commodities is about 40 per cent. The average increase in the cost of earthenware and chinaware about which we have been talking has been in the neighborhood of 85 per cent compared with prices in 1913. Does not the Senator think that with a 40 per cent average increase there is no just cause for complaint that there has been a serious interruption in the path of American progress?

Mr. GOFF. That does not prevail generally in the industry.

Mr. President, in view of the adoption of the tunnel process, the question arises as to how many of the sixty-odd plants in the United States are in a position to meet such conditions. There are very few. I know of only one, but to be absolutely impartial in my statement possibly four or five of the pottery plants of the country could justify taking the chance and

engaging in the adventure. On the other hand, if the meeting of these conditions were possible, which I had outlined before we digressed to the other discussion, then what would happen in the United States? What would be the result of all of these 50 or 60 china and pottery plants adopting the tunnel system? We would produce so much china and pottery that we would suffer all of the evils of overproduction and we would destroy not only the industry itself but we would undo the very thing which we are attempting to do by limiting, as far as we can, the reasonable return on the production of the plants so engaged.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Ohio?

Mr. GOFF. I yield.

Mr. FESS. Such plants as the one in the Senator's own city of Newell might be able to meet the foreign competition, but it is only because of the tremendous amount of capital they can employ in order to work efficiently. I wonder when it came to be the policy of the United States to support by a protective tariff only the big industry and to let the little one go?

Mr. GOFF. Mr. President, I will say to my friend from Ohio that I discussed that feature of the matter before he came into the Chamber.

Mr. FESS. I beg the Senator's pardon.

Mr. GOFF. I am very glad that he referred to it again because as I then said, and I will repeat to the Senator from Ohio, if he carried to its logical conclusion the contention of the distinguished Senator from Kentucky [Mr. BARKLEY], then we would create a monopoly in the Homer Laughlin plant and we would put out of commission every domestic industry engaged in the production of china and pottery. If we applied that principle to the United States Steel Corporation, we would say to them, "Because you have been able to attract a greater amount of capital to you, you may go ahead and be the monopoly in the steel industry of the United States and every other concern must get out of your way unless you see fit to merge it into the concern which you control."

Why does not the inefficient man, as the term has been used, need protection? Is not every industry that is protected the production or outgrowth of inefficiency? Was it not unable, when it first started, to compete with domestic industries or with the industries of foreign countries? Take the tin industry of the United States. What did it amount to, and what was it until we saw fit, and a great deal of it by anticipation, to give it a protective tariff which justified the United States in becoming one of the greatest producers of tin on the face of the earth?

We should apply that principle wherever there is a justification and a reasonable demand. We should apply it not only because it expresses prosperity but because it employs American labor. If we do not employ American labor, we have no prosperity. Capital has no income unless labor adds its efforts to produce a return for capital. If we do not invest capital, we have no market. I have heard some of my friends in the Senate talk as though a tariff that produces a return for capital is a step in the direction of destroying agriculture. I would like to ask what is the use of agriculture if we do not produce a consuming market for what the farmer grows and what the farmer turns out? What is the good of a store? Where are the chain stores if we do not produce men and women with money in their pockets to buy?

It would seem, if we would follow through to their logical deductions and confines the arguments which we have been compelled to listen to here to-day, that when we grant protection to an American industry we only seem to benefit capital. I want to say, Mr. President, that capital never earned a dividend that did not benefit labor, capital, and everyone who depends upon these for the uplift and the comforts of life.

So, Mr. President, conforming to what I said to certain of the Members of this body I would do, I shall not continue to discuss the question longer, but I shall leave it with the request and with the prayerful wish that upon reflection and in a mood of the most serious meditation the Members of this body, not only on this side of the Chamber but on the other side as well, will see, even if they have no State interest in the question, that there is at least sufficient of a national interest to American labor and American capital to vote to eliminate the Finance Committee amendment and to retain the provision of the House.

Mr. HARRISON. Mr. President, does the Senator from Utah intend to have a vote on the pending amendment to-night?

Mr. SMOOT. I would like to do so. Will the Senator yield to enable me to submit a unanimous-consent request?

Mr. HARRISON. I yield.

Mr. SMOOT. I ask unanimous consent that all discussion upon every individual amendment in Schedule 2 shall be limited so as to not exceed 10 minutes hereafter.

The PRESIDING OFFICER. Does the Senator mean on each amendment?

Mr. SMOOT. Yes.

The PRESIDING OFFICER. The Senator from Utah submits the unanimous-consent request that on each amendment in Schedule 2 debate shall be limited to 10 minutes.

Mr. FESS. The Senator means that no one Senator may speak longer than 10 minutes?

Mr. SMOOT. Certainly.

Mr. WALSH of Montana. Does that involve all of the schedules?

Mr. SMOOT. No; only Schedule 2.

Mr. HALE. Mr. President, I would like to ask the Senator whether that includes all amendments which may be offered after the committee amendments are disposed of?

Mr. SMOOT. We are dealing only with committee amendments now.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

Mr. COPELAND. Mr. President, suppose there are two or three amendments in one paragraph.

Mr. SMOOT. My request applies to each amendment.

Mr. COPELAND. The Senator's request relates to each individual amendment?

Mr. SMOOT. Each amendment in each paragraph of Schedule 2.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

The unanimous-consent agreement was reduced to writing, as follows:

Ordered, by unanimous consent, That in the consideration of the remainder of the committee amendments to Schedule 2 of the bill (H. R. 2667) for revision of the tariff, or amendments proposed thereto, no Senator may speak longer than 10 minutes upon each amendment.

Mr. HARRISON. Does the Senator intend to have a vote on the pending amendment to-night?

Mr. SMOOT. Yes; I would like to get a vote on it.

Mr. HARRISON. Then let us have a roll call, but before that I want to occupy the floor for 5 or 10 minutes.

Mr. SMOOT. Mr. President, I ask unanimous consent that the vote on the pending amendment be taken at not later than 25 minutes after 5 o'clock.

Mr. HARRISON. Make it 10 minutes after the roll call is completed.

Mr. FESS. After the Senator from Mississippi has concluded, I should like to have five minutes. I would like to detain the Senate not longer than five minutes.

Mr. SMOOT. Then I will ask unanimous consent that we may vote on the pending amendment at not later than 25 minutes to 6.

Mr. NORBECK. Mr. President, of course, a quorum call will be made in the meantime, and that will take up almost the entire time. It takes more than 10 minutes to get a quorum when Senators are over in their offices.

Mr. HARRISON. I shall not insist on a roll call. I thought we might go ahead now.

Mr. NORBECK. I might insist on a quorum call.

Mr. BARKLEY. There will have to be a roll call on the amendment.

Mr. SMOOT. So far as the debate is concerned, it will be limited to 25 minutes to 6 o'clock.

Mr. CONNALLY. Mr. President, why does not the Senator from Utah submit the proposition that the Senator from Mississippi have five minutes and the Senator from Ohio have five minutes and that we then vote?

Mr. SMOOT. Very well. I will modify the unanimous-consent request so as to provide that we grant the Senator from Mississippi five minutes and the Senator from Ohio five minutes and then vote upon the pending amendment.

Mr. HARRISON. I will take my five minutes later and we may vote now. I have been waiting four hours to speak. It is very courteous of the Senator to give me five minutes, but I will take it later on, after the vote.

Mr. FESS. I will yield my time to the Senator from Mississippi and let him proceed.

Mr. HARRISON. No; I can say what I am going to say after the vote.

Mr. SMOOT. I ask unanimous consent that the vote be taken at not later than 25 minutes after 5 o'clock this afternoon. That will give the Senator from Mississippi a chance to speak.

The PRESIDING OFFICER. What is the request of the Senator from Utah?

Mr. SMOOT. That we take a vote upon the pending amendment at not later than 25 minutes after 5 o'clock this afternoon.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

Mr. COPELAND. Mr. President, suppose I should desire to offer an amendment to this part of the bill which is in italics, may I do that under the proposed unanimous-consent arrangement?

Mr. SMOOT. I will say to the Senator that I have asked that the other committee amendment in paragraph 211 be disagreed to so that the amendment in line 15 to strike out "10 cents per dozen pieces and" is the only amendment we shall have to vote on in this paragraph.

Mr. COPELAND. If it came to a point where we had to vote on the amendment in italics, I should want to ask that the valuation of 50 cents in lines 22 and 23 be changed to \$1.

Mr. SMOOT. I have withdrawn that amendment.

Mr. COPELAND. By substituting another for it?

Mr. SMOOT. By leaving the House bill exactly as it is with the exception of striking out the words "10 cents per dozen pieces." That is the only amendment in paragraph 211 that will be before the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

Mr. CONNALLY. Mr. President, I do not care to object, but I desire to ask why not let us go along and let the Senators who desire to speak on the amendment do so and then vote?

Mr. SMOOT. I do not know of any Senator who wishes to speak.

Mr. CONNALLY. The Senator from Ohio wishes to speak and the Senator from Mississippi wishes to speak. Why not let them go ahead and speak?

Mr. HARRISON. I am ready to vote now, and I was ready three hours ago, may I say to the Senator from Texas.

Mr. SHEPPARD. I ask for the yeas and nays on the amendment.

Mr. HARRISON. Mr. President, three hours ago I proposed a unanimous-consent agreement that the speeches be limited to five minutes. That was objected to by the Senator from Pennsylvania [Mr. REED], who, working with the Senator from Utah [Mr. SMOOT], appears to want to expedite the bill.

Mr. SMOOT. Mr. President, I want to say to the Senator from Mississippi that I was in hearty accord with his request for unanimous consent.

Mr. HARRISON. The time, however, has been taken up on the other side of the Chamber for the most part.

The PRESIDING OFFICER. The clerk will state the pending amendment.

The CHIEF CLERK. On page 40, paragraph 211, in line 15, the Committee on Finance proposes to strike out "10 cents per dozen pieces and."

Mr. SMOOT and Mr. SHEPPARD asked for the yeas and nays, and they were ordered.

The Chief Clerk proceeded to call the roll, and Mr. BARKLEY voted in the affirmative when his name was called.

Mr. GOFF. Mr. President, may we have stated formally the question that is now before the Senate?

The PRESIDING OFFICER. The roll call is under way, and there has been an answer made.

Mr. FESS. I ask unanimous consent that the call of the roll be vacated, because quite a number of Senators do not know on what question the vote is being taken.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Ohio? The Chair hears none, and the roll call is vacated. The clerk will state the amendment.

The CHIEF CLERK. On page 40, in paragraph 211, earthenware and pottery ware, the Committee on Finance proposes, in line 15, to strike out the words "10 cents per dozen pieces and," so that it will read:

PAR. 211. Earthenware and crockery ware composed of a nonvitrified absorbent body, including white granite and semiporcelain earthenware, and cream-colored ware, terra cotta, and stoneware, including clock cases with or without movements, pill tiles, plaques, ornaments, charms, vases, statues, statuettes, mugs, cups, steins, lamps, and all other articles composed wholly or in chief value of such ware; plain white, plain yellow, plain brown, plain red, or plain black, not painted, colored, tinted, stained, enameled, gilded, printed, ornamented, or decorated in any manner, and manufactures in chief value of such ware, not specifically provided for, 45 per cent ad valorem.

The PRESIDING OFFICER. The question is on the committee amendment, on which the yeas and nays have been ordered. The clerk will call the roll.

Mr. BARKLEY. A parliamentary inquiry. There is some confusion about what we are voting on. A vote to adopt the committee amendment on which we are voting now is a vote to strike out the increase in the tariff, is it not?

Mr. SMOOT. It is.

The PRESIDING OFFICER. The clerk will again state the question.

The CHIEF CLERK. The committee amendment is, on page 40, paragraph 211, in line 15, to strike out the words "10 cents per dozen pieces, and."

The PRESIDING OFFICER. Those who favor striking out those words will vote "aye," and those who are opposed will vote "no." The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

The PRESIDING OFFICER (when the name of Mr. JONES was called). The present occupant of the chair transfers his pair for the day with the senior Senator from Virginia [Mr. SWANSON] to the Senator from Illinois [Mr. DENEN] and votes "yea."

Mr. PHIPPS (when his name was called). On this question I have a pair with the Senator from Georgia [Mr. GEORGE], which I transfer to my colleague [Mr. WATERMAN], and will vote. I vote "nay."

Mr. SMITH (when his name was called). I have a pair with the Senator from New Jersey [Mr. EDGE] on this question. I transfer that pair to the Senator from Oklahoma [Mr. THOMAS] and will vote. I vote "yea."

Mr. STEPHENS (when his name was called). I have a pair with the Senator from Indiana [Mr. ROBINSON], and therefore withhold my vote.

The roll call was concluded.

Mr. COPELAND. I wish to announce that my colleague [Mr. WAGNER] is necessarily detained from the Senate Chamber.

Mr. FESS. I wish to announce the following general pairs:

The Senator from Kentucky [Mr. SACKETT] with the Senator from Missouri [Mr. HAWES];

The Senator from Indiana [Mr. WATSON] with the Senator from Arkansas [Mr. ROBINSON];

The Senator from Connecticut [Mr. BINGHAM] with the Senator from Virginia [Mr. GLASS];

The Senator from Massachusetts [Mr. GILLET] with the Senator from Arkansas [Mr. CARAWAY];

The Senator from Indiana [Mr. ROBINSON] with the Senator from Mississippi [Mr. STEPHENS];

The Senator from New Jersey [Mr. KEAN] with the Senator from South Carolina [Mr. BLEASE];

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN];

The Senator from Missouri [Mr. PATTERSON] with the Senator from New York [Mr. WAGNER];

The Senator from Connecticut [Mr. WALCOTT] with the Senator from Iowa [Mr. STECK]; and

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Nevada [Mr. PITTMAN].

Mr. SHEPPARD. I wish to announce that the Senator from Arizona [Mr. ASHURST] is paired with the Senator from Florida [Mr. FLETCHER]. On this question the Senator from Arizona [Mr. ASHURST], if present, would vote "yea" and the Senator from Florida [Mr. FLETCHER], if present, would vote "nay."

The result was announced—yeas 33, nays 21, as follows:

YEAS—33

Allen	Connally	Kendrick	Sheppard
Barkley	Dill	La Follette	Simmons
Black	Frazier	McKellar	Smith
Blaine	Harris	Moses	Tydings
Borah	Harrison	Norbeck	Walsh, Mont.
Bratton	Hayden	Norris	Wheeler
Brock	Heflin	Nye	
Brookhart	Howell	Pine	
Capper	Jones	Schall	

NAYS—21

Copeland	Hastings	Phipps	Townsend
Couzens	Hatfield	Reed	Trammell
Fess	Hebert	Shortridge	Vandenberg
Goff	Keyes	Smoot	
Greene	McNary	Steiner	
Hale	Oddie	Thomas, Idaho	

NOT VOTING—40

Ashurst	George	McMaster	Steck
Bingham	Gillett	Metcalf	Stephens
Bleuse	Glass	Overman	Swanson
Broussard	Glenn	Patterson	Thomas, Okla.
Caraway	Goldsborough	Pittman	Wagner
Cutting	Gould	Ransdell	Walcott
Dale	Hawes	Robinson, Ark.	Walsh, Mass.
Denen	Johnson	Robinson, Ind.	Warren
Edge	Kean	Sackett	Waterman
Fletcher	King	Shipstead	Watson

So the amendment of the committee was agreed to.

The VICE PRESIDENT. The next amendment of the Committee on Finance will be stated.

The CHIEF CLERK. On page 40—

Mr. BARKLEY. Mr. President, I should like to inquire, in order to make certain, whether all the rest of the amendment to

paragraph 211, including the 55 per cent ad valorem, was withdrawn by the Senator from Utah?

Mr. SMOOT. I do not know whether I announced that the 55 per cent ad valorem was included in my withdrawal of the other amendments or not, but I think I did. If I did not, of course action can be taken now.

The VICE PRESIDENT. The record will so show.

Mr. HARRISON. Mr. President, do I understand that the Senator now proposes to decrease the recommendation of the Senate Finance Committee from 55 per cent to 50 per cent ad valorem?

Mr. SMOOT. That is the proposition, Mr. President.

Mr. HARRISON. And the Senator has agreed to strike out the additional 10 cents per dozen?

Mr. SMOOT. No; the Senate agreed to that.

Mr. HARRISON. No; the Senate took a vote on the amendment on line 15.

Mr. BARKLEY. The Senator from Utah agreed to strike out the rest of this amendment at the bottom of page 40, which is the same thing that we voted on a while ago.

Mr. SMOOT. That has been withdrawn.

Mr. WALSH of Montana. Mr. President, the Senator from Utah expressly reserved those parts of the paragraph on lines 18 and 19; so that is left in. That is, the committee proposes to strike out "10 cents per dozen pieces and 50," and that is the question now before the Senate.

Mr. BARKLEY. No; we just voted on that.

Mr. SMOOT. That would be the question if it were not included in the unanimous-consent agreement. It is the same proposition that we have just voted upon. Therefore we can vote upon it now.

Mr. HARRISON. But may I ask the Senator a question? When we strike out, on lines 18 and 19, on page 40, "10 cents per dozen pieces and 50" we then leave it "55 per cent ad valorem." That is the Senate committee's recommendation. Does the Senator now change the "55 per cent" to "50 per cent"?

Mr. SMOOT. The Senate may do so.

Mr. BARKLEY. I thought that was included in the Senator's withdrawal.

Mr. SMOOT. No. We had better take a vote on it, so that there will be no question in regard to it.

Mr. BARKLEY. All right; let us vote.

Mr. WALSH of Montana. Mr. President, just a word of explanation. The pending amendment is to strike out "10 cents per dozen pieces and 50." If that is adopted, then we shall have to take action upon the "55"; and then it will be appropriate to move to amend the committee amendment by making "55" "50."

Mr. BARKLEY. Yes.

Mr. WALSH of Montana. So that the orderly procedure will be to vote on the amendment to strike out—

Mr. BARKLEY. The Senator from Utah withdrew that language.

Mr. WALSH of Montana. There is no reason why we should not vote on it anyway, so as to "make assurance doubly sure."

Mr. SMOOT. Let us vote on it, so that there may be no doubt about it.

Mr. NORRIS. Mr. President, it is quite evident to me that there is one amendment left here, and that "55" is included in that amendment. The amendment is to strike out "10 cents per dozen pieces and 50," and to insert in lieu thereof "55." That is what the amendment is.

Mr. BARKLEY. Mr. President, I offer an amendment to the Senate committee amendment, to strike out "55" and insert "50."

Mr. WALSH of Montana. Let me remark that that will not reach the situation.

Mr. SMOOT. Not at all.

Mr. WALSH of Montana. Will not the Senator propose, instead of the amendment to strike out the language "10 cents per dozen pieces and 50" and substitute "55," to insert in lieu thereof "50"?

Mr. BARKLEY. That will reach it. That amendment is entirely satisfactory.

The VICE PRESIDENT. Does the Senator from Kentucky modify his amendment accordingly?

Mr. BARKLEY. I do.

The VICE PRESIDENT. The clerk will state the amendment as modified.

The CHIEF CLERK. In lines 18 and 19, page 40, it is now proposed to strike out the words "10 cents per dozen pieces and 55" and insert "50," so that it will read "50 per cent ad valorem."

The amendment was agreed to.

The CHIEF CLERK. The next amendment is on the same page, after line 19, to insert the following words:

In addition to the foregoing there shall be paid the following duties: On cups, saucers, or plates, valued at not more than 50 cents per dozen, 10 cents per dozen; on cups and saucers imported as units, valued at not more than 50 cents per dozen units, 10 cents per dozen separate pieces.

Mr. SMOOT. No, Mr. President; I asked unanimous consent that that be rejected.

The VICE PRESIDENT. The chairman of the committee can not withdraw the amendment without unanimous consent.

Mr. SMOOT. I asked unanimous consent, as I remember, that that be rejected.

SEVERAL SENATORS. Let us vote.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The VICE PRESIDENT. The clerk will state the next amendment of the committee.

The next amendment of the Committee on Finance was, on page 41, line 13, before the words "60 per cent," to strike out "10 cents per dozen pieces, and," so as to read:

PAR. 212. China, porcelain, and other vitrified wares, including chemical porcelain ware and chemical stoneware, composed of a vitrified nonabsorbent body which when broken shows a vitrified or vitreous, or semivitrified or semivitreous fracture, and all bisque and parian wares, including clock cases with or without movements, plaques, pill tiles, ornaments, charms, vases, statues, statuettes, mugs, cups, steins, lamps, and all other articles composed wholly or in chief value of such ware, plain white, not painted, colored, tinted, stained, enameled, gilded, printed, or ornamented, or decorated in any manner, and manufactures in chief value of such ware, not specially provided for, 60 per cent ad valorem—

Mr. SMOOT. That is the same thing.

Mr. BARKLEY. We should adopt that amendment, because that is the one we have already voted on.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 41, line 17, after the word "for," to strike out "10 cents per dozen pieces and," so as to read:

Painted, colored, tinted, stained, enameled, gilded, printed, or ornamented or decorated in any manner, and manufactures in chief value of such ware, not specially provided for, 70 per cent ad valorem.

The amendment was agreed to.

The next amendment was, on page 41, line 17, after the word "ad," to strike out "valorem" and insert "valorem; any of the foregoing articles containing 25 per cent or more of calcined bone, not painted, colored, tinted, stained, enameled, gilded, printed, or ornamented or decorated in any manner, 50 per cent ad valorem; painted, colored, tinted, stained, enameled, gilded, printed, or ornamented or decorated in any manner, 55 per cent ad valorem. In addition to the foregoing there shall be paid the following duties: On cups, saucers, or plates, valued at not more than 50 cents per dozen, 10 cents per dozen; on cups and saucers imported as units, valued at not more than 50 cents per dozen units, 10 cents per dozen separate pieces."

Mr. BARKLEY. Part of that amendment ought to be adopted.

Mr. SMOOT. Nobody could object to the first part of it—that is, lines 18, 19, 20, 21, 22, and 23, and down to the first word on line 24, "ad valorem."

Mr. BARKLEY. That ought to be adopted.

Mr. SMOOT. Yes; that ought to be adopted.

Mr. COPELAND obtained the floor.

Mr. NORBECK. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from South Dakota?

Mr. COPELAND. I yield.

Mr. NORBECK. May I ask the chairman of the committee how that compares with the present law?

Mr. SMOOT. It is the present law.

The VICE PRESIDENT. The amendment can be divided.

Mr. SMOOT. Certainly.

Mr. BARKLEY. In order to divide it, it will be in order to move to strike out the rest of the amendment after the words "ad valorem" on line 24.

The VICE PRESIDENT. The Chair would suggest that the amendment be divided, and that the vote be taken on the first part first.

Mr. COPELAND. Mr. President, I move to amend by striking out, beginning on line 18 with the word "any," to the word "valorem" on line 21. In other words, I move to strike out the words "any of the foregoing articles containing 25 per cent or more of calcined bone, not painted, colored, tinted, stained,

enameled, gilded, printed, or ornamented or decorated in any manner, 50 per cent ad valorem."

The reason why I am proposing to strike out this language—which, I assume, will not be favorably considered, but that is not disturbing—is because it is impossible to enforce it. No customs inspector can tell whether there is 25 per cent of calcined bone in the article or 5 per cent, or 95 per cent.

Mr. SMOOT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. I yield.

Mr. SMOOT. The Senator has been misinformed. There is not any question but that it can be determined to the very fraction of 1 per cent.

Mr. COPELAND. Of course, by an analysis. That would mean that every article brought in, or every shipment, would have to be analyzed.

Mr. SMOOT. No more than every yard of woolen cloth would have to be analyzed—not in the least. They all come in manufactured in the same way, and the test is made, and the customs officials can tell within a fraction of 1 per cent what they contain.

Mr. COPELAND. All you have to do is to throw a little bit of calcined bone in the mixture and then bring it in at 50 per cent instead of at 70 per cent. That is what happens.

Mr. SMOOT. It has been working now ever since 1922, and not a single, solitary case has been known where even an appeal has been taken to the department.

Mr. COPELAND. Does the Senator mean to say that there have been no protests?

Mr. SMOOT. Not as to the final decision. Importers have tried to get the product in contrary to the law; but there has been no case that they have ever proven.

Mr. COPELAND. I want to point out to the Senate the situation as it is.

An undecorated article brought in under this section would pay 60 per cent. Decorated ware would pay 70 per cent. On the other hand, if the article is made out of calcined bone to the extent of 25 per cent, then it comes in at 50 per cent ad valorem. That is correct; is it not? I have stated the situation as it is?

Mr. SMOOT. That is true.

Mr. COPELAND. All right. Then the contention of the persons who have approached me in this matter is that a tremendous amount of material comes in on the theory that it does contain 25 per cent of calcined bone when it does not contain anything of the sort, and the only way in which that can be accurately proven is by an analysis of every shipment.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. I yield.

Mr. SMOOT. I want to say that this is a very high-priced article. If I am not mistaken, England is the only country that ships a piece of it into the United States.

Mr. REED. Sweden also, I believe.

Mr. SMOOT. Sweden perhaps ships a trifle; but 99 per cent or more of it comes from England, and there has been no trouble in determining whether or not there is 25 per cent of calcined bone in it.

Mr. COPELAND. Mr. President, of course, if I can not have the support of the chairman of the committee, a well-known high-tariff protectionist, I do not know what I can do.

Mr. SMOOT. This is a lower tariff.

Mr. COPELAND. I am amazed to find that the Senator from Utah is proposing a lower rate here.

Mr. SMOOT. I have in quite a number of cases.

Mr. COPELAND. I suppose, as a Democrat, I ought to thank God and take courage, if that is the case; but if I can not get any encouragement from the Senate in this matter, there is no use in presenting the amendment.

The VICE PRESIDENT. Does the Senator from New York withdraw his amendment?

Mr. COPELAND. I withdraw the amendment.

I should like to turn over the page now and see if I can get any more encouragement there.

Mr. NORRIS. Let us agree to the other one first.

The VICE PRESIDENT. There has been a request to divide the amendment. The Chair suggests voting on the first part at this time and then on the second part.

Mr. COPELAND. That is entirely satisfactory to me.

The VICE PRESIDENT. The question is on agreeing to the first part of the amendment.

Mr. WALSH of Montana. Mr. President, I understand that it is the view of the Senator from Kentucky that this part of the amendment should be adopted.

Mr. BARKLEY. Yes, sir; that is correct.

The VICE PRESIDENT. The question is on agreeing to the first part of the amendment.

The first part of the amendment was agreed to.

The VICE PRESIDENT. The question now is on the second part of the amendment, which will be stated.

The Chief Clerk read as follows:

In addition to the foregoing there shall be paid the following duties: On cups, saucers, or plates, valued at not more than 50 cents per dozen, 10 cents per dozen; on cups and saucers imported as units, valued at not more than 50 cents per dozen units, 10 cents per dozen separate pieces.

Mr. COPELAND. Mr. President, if I can be encouraged somewhat, in line 2 and in line 4 I should like to have "50 cents" changed to "\$1" in each instance. Can I get any encouragement from the committee on that matter?

Mr. REED. Mr. President, the Senator gets encouragement from me, if that is worth anything.

Mr. SMOOT. I will simply say to the Senator that there would be no importation at all if that were done, so we might just as well say that we will put an embargo on it.

Mr. NORRIS. That would be an embargo, would it?

Mr. SMOOT. It would be an embargo.

Mr. COPELAND. Then the country would be ruined, would it?

Mr. SMOOT. No.

Mr. NORRIS. Pretty nearly.

Mr. COPELAND. Then I take it that the Senator from Pennsylvania [Mr. REED] and I are alone in this matter.

Mr. REED. I do not think it would ruin anybody. It would be a less heavy burden to put a duty of 10 cents a dozen on cups and saucers valued at \$1 a dozen than it would be to put it on cups and saucers valued at 50 cents a dozen. I am told that the Department of Commerce figures for 1928 show that the average unit value of pottery imported from Japan was 63 cents a dozen.

Mr. SMOOT. All of this stuff comes from England.

Mr. REED. This includes all china and porcelain.

Mr. SMOOT. Oh, no.

Mr. REED. I beg the Senator's pardon. The concluding sentence is not limited to bone china at all. It covers everything in paragraph 212.

Mr. SMOOT. If the Senator will read the first part of the amendment—

Mr. REED. I have read that. It refers to articles mentioned in the early part of paragraph 212. Beginning in line 24 is the statement, "In addition to the foregoing there shall be paid" so-and-so. That applies to every article of china or porcelain mentioned in the whole of paragraph 212.

Mr. COPELAND. Mr. President, in the interest of harmony and the progress of the bill, I would not want to do anything to delay action, and therefore I withdraw the amendment.

The VICE PRESIDENT. The question is on agreeing to the second part of the committee amendment.

The amendment was rejected.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was on page 43, paragraph 216, "Carbons and electrodes."

Mr. WALSH of Montana. This is a somewhat controversial item, is it not? If so, would it not be well to stop at this point?

Mr. SMOOT. We can do so, but I did not think there would be very much controversy over this amendment.

Mr. NORRIS. Let me suggest to the Senator that if there is going to be any debate on it, we might just as well stop now, because we would not get through with it, and would have to go over the arguments again.

Mr. SMOOT. I was just going to ask the Senator from New York whether it would lead to any debate. He requested that it go over.

Mr. COPELAND. It will, as far as I am concerned.

Mr. SMOOT. Then, I will not ask for consideration of it to-night.

RADIO ADDRESS BY SENATOR SHEPPARD ON PROHIBITION AND PUNISHMENT OF LIQUOR PURCHASERS

Mr. BRATTON. Mr. President, on the evening of October 31 the senior Senator from Texas [Mr. SHEPPARD] delivered an address over a nation-wide radio hookup from Station WMAL, the subject being Prohibition and Punishment of Liquor Purchasers. On that occasion Senator SHEPPARD was introduced by Mr. Will P. Kennedy, a member of the editorial staff of the Washington Star. I ask unanimous consent to have printed in the RECORD the remarks of Mr. Kennedy introducing Senator SHEPPARD, and the notable address of Senator SHEPPARD.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is here printed, as follows:

PROHIBITION AND PUNISHMENT OF LIQUOR PURCHASERS

(Radio address of Senator MORRIS SHEPPARD, of Texas, over Columbia Broadcasting System, through Station WMAL, under auspices of the radio forum of the Washington Evening Star, October 31, 1929. Introduction by Mr. Will P. Kennedy, of the editorial staff of Washington Star)

Mr. Kennedy said:

"Ladies and gentlemen, popular interest in great public questions is as intense as the questions themselves affect the individual. Of the many great public problems confronting our Nation to-day none has aroused more general interest and none has stirred more heated contention, than the question of prohibition enforcement. The individual citizen has his own viewpoint, and oftentimes it is pronounced. Division of opinion likewise may be observed in highest official positions. And, because of this contention as to the ability of officials to enforce the law and, because there is dispute as to methods to be pursued, it most certainly is true that by virtue of the very vigor of contending forces, prohibition enforcement will be an issue in the coming regular session of Congress and possibly subsequent sessions.

"It is with this in view that the National Radio Forum has arranged what it believes to be one of the greatest debates ever held on this subject. Two of the most able and outstanding Members of the United States Senate are to discuss this question pro and con. To-night you will hear the author of the eighteenth amendment to the Constitution, that able statesman, MORRIS SHEPPARD, senior Senator from Texas, who resides on the Texas side of Texarkana, Arkansas-Texas.

"On next Thursday night, at this hour you will hear Senator HARRY B. HAWES of Missouri, who formerly lived in Texarkana.

"The views of these men are thoroughly representative of the forces arraigned for and against prohibition enforcement.

"Senator SHEPPARD has brought this issue to the fore by his proposal that the national dry law be amended so as to make the purchaser of liquor guilty of violating the existing law along with the bootlegger who sells it.

"With an honest courage of a really great statesman, Senator SHEPPARD has stood staunchly in defense of prohibition during his entire official life.

"He has not pandered in dealing with this great question, for the sake of political expediency, but has carried on because he believes his cause is just. In the years that have passed you have read much of this able legislator and now, I am certain, you will be happy to hear him. It is with great pleasure I introduce to you Senator SHEPPARD, of Texas."

Senator SHEPPARD said:

"Ladies and gentlemen, prohibition is stronger in the United States to-day than ever before. Since it became a part of the National Constitution on January 16, 1920, every seat in the Federal House of Representatives has been voted upon four times, and each seat in the Federal Senate at least once, a third of the Senate seats having been voted upon twice. The result is a larger majority for prohibition in both these bodies at the present than at any previous time. During this period of nearly 10 years the American people have made more progress in three fundamental phases of human welfare, to wit, savings, life insurance, and home building, than in all the 131 years of this Republic before the advent of national prohibition. So far as the great majority of the American people are concerned, they have traded the smaller liberty to drink intoxicants and to get drunk for the larger liberty to acquire homes, to save against misfortune and old age, to clothe and nourish their families in decency and comfort.

"Roger Babson tells us that both friends and enemies of prohibition must agree that the increased purchasing power of the masses, so general since the World War, is largely due to prohibition; that prohibition has not only increased purchasing power by turning into useful channels funds formerly expended for drink, but has reduced manufacturing and distributing costs and that from this everyone is greatly benefiting to-day. President Hoover, when Secretary of Commerce, said that the application of the many discoveries in the physical sciences, the increased efficiency of both workers and executives, and the advent of prohibition have raised our standards of living and material comfort to a height unparalleled in our history and therefore in the history of the world. Henry Ford, that master of modern industrialism, said in a recent article that without prohibition industry would of necessity decline to the position occupied at the beginning of the century; that without prohibition a short working week and day would be no longer possible; that the reason why America is so far ahead of other countries industrially to-day, the reason America is so rich to-day, is prohibition; that foreign countries want America for their market because America under prohibition has the money. The return of the liquor traffic to its former volume would mean infinite disaster to the workers. A diversion of even 50 per cent of the funds now going into the consumption of useful articles would displace so many workers, in addition to those already jobless from the rapid advent of labor-saving, man-scraping machinery, as to produce the largest number of unemployed ever witnessed in our history.

"The value of prohibition to the American people makes it necessary that we guard it with unceasing and increasing vigilance. The power and the lure for multiplied millions of our population in the poison that has its lair in beverage alcohol are of such commanding and destructive nature that any relaxation or oversight in the movement against it may afford it a new base from which to strike society again.

"It is the belief of many that a point of neglect in the prohibition crusade lies in the failure to clarify the Volstead Act, the law carrying out the eighteenth amendment to the Federal Constitution, in respect to the status of the buyer of intoxicating liquor. The section of the Volstead Act under which prosecutions usually occur, section 3, forbids selling among other things, but makes no mention of buying. Section 6, however, forbids purchase without a permit. Section 6 in effect forbids purchase for beverage purposes because no permit to a buyer for such an objective could be lawfully obtained. Manifestly, the Volstead Act ought not to be left in this condition. If the buyer is to be penalized, he should be included in section 3. If not, he should be omitted from section 6.

"Since my recent offer in the Senate of an amendment to the Volstead Act, including the purchaser in section 3, two Federal judges have announced that in their opinion the buyer may be penalized under section 6. One of these judges instructed the grand jury to indict purchasers. It is to be hoped that the position of these judges will be embodied in a case and taken to the highest tribunal for settlement. Nothing would delight me more than approval of their position by a final authority. In such event, however, my amendment would still be desirable in order to bring section 3 into harmony with section 6. Another decision by a Federal judge to the effect that the purchaser could not be punished under the Volstead Act was the immediate cause of my proposed amendment. I have been informed that an attempt will be made to bring about the submission of this decision to the United States Supreme Court.

"It should be noted here that neither section 3 nor section 6 carries a punishment clause. Punishment for the performance of any act forbidden by any part of the Volstead law is provided in a different section containing the terms of the Jones law recently passed to increase the maximum penalties of the Volstead law.

"The buyer should be included in section 3, as well as section 6, and made equally punishable with the seller, because logic and justice alike require such a course. If the sale of intoxicating liquor is a crime, and it is so made by the Volstead Act under the authority of the eighteenth amendment, purchase is also a crime, because a purchase is a necessary part of a sale. Is it right that the buyer should escape the law and the seller feel its penalty for an act to which they are both essential parties? Is it right that people should be permitted to buy, while the seller, whose temptation to crime is furnished by the money of the buyer, must be penalized? They tell us that prohibition is aimed at the liquor traffic as a commercial transaction. Is not one who buys as essential to commercial traffic as one who sells? Does not the law already punish the man who purchases narcotics except under the conditions prescribed by the statute? Does not the law already punish the man who knowingly purchases or receives goods stolen or smuggled? What is sacred about the buyer of intoxicating liquor, an article outlawed by the Federal Constitution itself, which calls for his exemption from punishment?

"It is said that if purchase is made a crime the purchaser can not be used as a witness against the seller, because he can not be compelled to give testimony against himself. The Volstead Act has already taken care of this situation. It provides that no person shall be excused on the ground of self-incrimination or of subjection to penalty or forfeiture from testifying in any suit or procedure growing out of any alleged violation of that act, and it also provides that no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing as to which he may testify or produce evidence in obedience to a subpoena and under oath, except for perjury committed in so testifying. These provisions would remain in the act after the adoption of the amendment punishing the purchaser under section 3. We see, therefore, that there is no basis for the objection that the testimony of the purchaser could not be secured in the event of his inclusion within the punitive terms of the Volstead Act.

"At this stage of the discussion let it be observed that the purchaser of liquor for his own beverage use has been of little or no assistance to the Government in the prosecution of sellers. He is rarely used and he never volunteers. It is true, however, that enforcement officers frequently become purchasers for the purpose of obtaining evidence against sellers. In this way purchasers are of great help in enforcing prohibition. It is, perhaps, true that a majority of the convictions have been secured in this manner. But these officers would not be prosecuted and their evidence would continue to be effective in the event the amendment banning purchase is enacted. In many prosecutions for many various offenses a defendant is permitted to turn State's evidence against a codefendant and receive immunity. Any question, however, as to this situation could be removed by a further amendment exempting officers from penalty when they purchase for the purpose of producing evidence.

"Attention should be directed to the fact that possession of intoxicating liquors for beverage use is already forbidden by the Volstead Act, except under specified conditions. A purchaser called upon to testify against a seller to-day would in most instances incriminate himself because he could not have become a purchaser without also becoming a possessor. The provision in the Volstead Act regarding self-incrimination which I have described prevents him from refusing to testify. The difficulties in the way of securing testimony through the purchaser in practical effect would be no greater after purchase became an offense against the Volstead Act than at present.

"If it be said by way of objection to the proposed amendment forbidding purchase that it would be necessary to allow some purchasers to go unpunished, it may be replied that the ordinary purchaser for beverage use is of such little assistance in enforcing prohibition that his continued exemption from punishment in order that his testimony may be utilized is hardly worth while. Furthermore, why exempt purchase when we punish possession? It is difficult to punish possession. A person under suspicion, if an owner of premises on which liquor is found, pleads ignorance of content of package or of delivery or claims delivery by mistake. Liquors are so easily disposed of that possession soon ceases and all tangible evidence disappears. They are so easily concealed that evidence is hard to obtain. Search procedure is surrounded by many obstacles. But if purchase be made a crime, the knowledge on the part of the seller of the purchaser's guilt will hang over the purchaser like a pall. When purchase is made a crime as well as sale, the seller and the purchaser will become so suspicious of each other that the traffic will receive a serious setback from this very condition. They will hesitate to deal together as freely as in former days when the purchaser had full liberty.

"It is contended that the passage of the act against the purchaser is unconstitutional because the eighteenth amendment does not in terms prohibit purchase. This contention is without validity. The purpose of the eighteenth amendment is to stop the beverage use of intoxicating liquors. No doctrine is more firmly established in American jurisprudence than the doctrine that Congress may enact any legislation reasonably necessary to carry out the purposes of the Constitution. Our highest Federal tribunal has gone so far as to hold that the traffic in nonintoxicating malt liquids may be prohibited on the ground that such a step is an aid in giving effect to a State constitutional inhibition against the sale of intoxicating liquors.

"It is said that in some States the punishment of the purchaser has been tried and has failed. This does not mean that such a measure will fail again, either in a State or in the Nation. In numbers of States prohibition itself when first adopted was so unsatisfactory in practice that it was repealed. That was also the case in many counties, townships, and precincts before State and national prohibition came. Had supporters of prohibition allowed themselves to be deterred and halted by these first reverses we would never have had prohibition.

"The purchaser is one of the principal obstacles in the way of better prohibition enforcement. With our streets and highways crowded almost to the limit of safety with automobiles, purchasers in the form of drunken drivers become a menace to society in a degree never before approached. Even before prohibition railroad companies required operators of locomotives to refrain from drink by the imposition of the severest penalties at their command. Now that millions of persons in the United States have become operators of locomotives in the shape of automobile engines the country must enforce the same rule in the only way in which it can reach so large and widely distributed a number—the way of the law. When the people in certain sections of the West in early days found themselves at the mercy of horse thieves in spite of laws imposing penitentiary sentences they secured an enactment applying the same punishment to those who knowingly bought the stolen horses.

"Horse stealing began to decline when the money which furnished the incentive to the crime began to disappear. A number of horses was an incumbrance to the thief unless he could dispose of them for money. So it is with the maker, transporter, and seller of illicit liquor. The money of the purchaser is the source and cause of their existence. The purchaser furnishes the basis of most of the contempt and ridicule which are heaped from wet quarters upon prohibition, especially by foreign visitors who are entertained by people of wealth and prominence who serve intoxicants and revile prohibition. These foreigners, utterly deceived as to real conditions, take false information back to their respective countries regarding prohibition in the United States. This false information has led to the slowing down of movements against intoxicants in a number of foreign countries and spread a wrong impression throughout the world regarding prohibition in America.

"The purchaser's money is the foundation of the bootleg market. The purchaser's money is the explanation of the rum runner, the bootlegger, the illicit distiller, the murders, the scandals, the bribery, and corruption which attend the efforts of the underworld to circumvent the Government and the law. And yet the purchaser looks to the very Constitution which he flaunts and mocks for the protection of his own life and property. We must close this gap in prohibition legislation

before it is too late. We must strip the purchaser, not infrequently a person of means and standing, of the cloak of respectability and brand him as the lawbreaker he morally is. We must not let it be said that there is one law for one party to an offense and no law for the other party. The spectacle of one party to a transaction going free, occupying high position in society and business, and of the other driven to the disgrace and shame of a prison cell is enough to shock and outrage every sense of justice, every sentiment of right.

"So many of these purchasers will cease to buy when purchase becomes an unmistakable crime as to cause an immediate diminution of the bootleg market. Offenses against the Volstead Act and the eighteenth amendment will begin to decline. As purchases cease the reason for the seller will pass, and with it the seller also. The net result will be a smaller number of offenders in the courts than are now congesting them.

"The purchaser will pause a long time before he will buy from a seller who may hold over him the whip of possible exposure by utilizing the immunity clause of the Volstead Act in the event enforcement officials should decide that the encouragement of such a course would be desirable in certain instances in the interest of prohibition. It has been well said that a man or woman can not retain self-respect who becomes the conscious cause of the performance of a criminal act by another. It has been aptly asked why should anyone want the right to induce another to commit a crime. That is exactly what the purchaser does. The purchaser is in a sense guiltier than the maker, carrier, or seller, because he is the creative force behind them all in a vast conspiracy against the Constitution and the law. Here the question transcends prohibition and becomes one of law enforcement, involving the integrity of our institutions, the very existence of our form of government.

"I do not mean that the mere passage of the amendment punishing purchasers will be all that is needed for more effective enforcement. Whole-hearted, vigorous, efficient prosecutions by the officials is and will always be essential. Let us provide these officials with the machinery of a logical and flawless enforcement act and their efforts will have been vastly aided."

BENJAMIN H. LITTLETON

Mr. McKELLAR. Mr. President, this morning the Senator from Oregon [Mr. STEIWER] reported the nomination of Mr. Benjamin H. Littleton, of Tennessee, to be judge of the Court of Claims, vice McKenzie Moss, deceased. As in open executive session, I ask unanimous consent that that nomination may be confirmed at this time.

Mr. NORRIS. Mr. President, a few days ago a Senator who is not now in the Chamber stated that he was going to object to proceedings of this kind, and such proceeding is very objectionable. We are not in executive session, and nobody has had notice of this. I have no objection to this nomination, but I feel inclined to object to the confirmation of this nomination at this time unless there is some particular reason for it.

Mr. McKELLAR. I withdraw the request at this time.

Mr. MOSES. Mr. President, I give notice that to-morrow at some appropriate time I shall ask for an executive session, because there are a number of nominations on the calendar which should be disposed of.

Mr. NORRIS. That is the way the matter should be handled.

REDUCTION OF NAVAL ARMAMENTS

Mr. McKELLAR. Mr. President, I desire to call the attention of the Senate to an article written by Mr. Willmott Lewis and published in the New York World of date October 27, 1929, under the heading "Politics from the Sidelines." I here ask that the article be inserted in the RECORD without reading.

The PRESIDING OFFICER (Mr. Fess in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[New York World, October 27, 1929]

POLITICS FROM THE SIDELINES

By Willmott Lewis

WASHINGTON, October 26.—The fertility of the human mind in objection passes belief. Senator McKELLAR, of Tennessee, has given to the world a statement, or a threat, that no naval treaty shall pass the Senate that does not provide for Anglo-American parity at once and for freedom of the seas. He is a thirty-second degree Mason, not a thirty-second degree Senator, and should not speak for one-third of his colleagues.

What he means by parity at once is easy to guess. He would have Great Britain sink all the vessels for which an equivalent can not be found in the present American Navy, thus establishing exact Anglo-American balance without the laying of another keel or the casting of another gun. He seems to forget that France, Italy, and Japan have a maritime existence, or that American shipbuilders are entitled to an honest living. He should be thrown into a den of Schwabs.

As for freedom of the seas, it is a safe bet that neither Mr. McKELLAR nor anybody else on earth knows what the words mean or imply just now. They make one of those comfortable phrases, like self-determination, that have a dangerous and almost unlimited power of recoil. Freedom of the seas may mean one thing when your ox is goring, and quite another when your ox is being gored.

There is also the blessed word "contraband," which might, and perhaps should, have an enormous elasticity now that war is an activity of whole nations, an effort demanding the exercise of the whole, vast, corporate strength of a people, and not the maneuvering of a section of the population professionally engaged. If Mr. McKELLAR should one day be a unit in such a struggle—which the Lord and the Congress forbid—he might come to believe that everything is contraband. What meaning would he then give to freedom of the seas?

It is not fair to ask these questions, of course, for no man should be summoned at the point of a pencil for a definition. More by token, any man is entitled to two opinions on any subject—one the opinion of his heart and the other the opinion of his head. Mr. McKELLAR's heart may tell him that the seas should be free at all times and seasons, for all manner of private goods, and this does him no discredit. Mr. McKELLAR's head will tell him something entirely different when, in the course of the debate to come, he gives it a day in court.

Once upon a time a solemn and rather pontifical judge spoke admonishingly to a younger brother in the law.

"No man who desires a hearing from his elders," said he, "should at any time use a word of whose meaning he is not fully informed."

"Well, judge," said the impertinent junior, "just what do you mean by the word 'time'?"

This was cruel. The judge had no definition at the tip of his tongue, and what we mean when we say time is still discussed by the philosophers. Even so, the wit of man may yet devise a meaning satisfactory to everybody for this word, while freedom of the seas and other labels for the indefinable remain to be the despair of sophists, scientists, and Senators.

Half a century or thereabouts ago good Americans who went to Paris before they died had a chance to meet a poet named Leon Dierx, to whom there had appeared a vision of the end of the world, and who was willing to talk about it.

"It will come," he used to say, "with a new deluge, and all the works of man and man himself will be hidden beneath a waste of waters. Here and there above this formless expanse will appear the tip of the spire of some church, the roof tree of some edifice set upon a high hill.

"And of living things nothing will remain—save certain parrots. These, clinging desperately to the spires and to the roof trees, will be left to cry out over the empty, echoing waste of waters the words that men have taught them. The words will be:

"Liberty! Justice! Equality! Fraternity!"

To which we may add, with all deference to Senator McKELLAR, of Tennessee, freedom of the seas! If the phrase ever achieves reality it will be when it no longer requires definition—in other words, when the seas can be no longer closed, in whole or in part, when the freedom of peace time is certain and enduring.

The Senator would doubtless be as eager for freedom of the streets, but the streets have their contraband, even in peaceful days. The inviolability of private property does not cover the hip flask.

Mr. McKELLAR. Mr. President, an examination of this article shows it to be an attack upon me for having stated in the Senate, as I did state and most emphatically some time ago, that I believed that unless the forthcoming naval parity provided for absolute parity between the United States and Great Britain, that there would be no naval agreement. I am taken rather severely to task, but that is immaterial.

It appears from our records here that Mr. Lewis is a correspondent for the London Times, and, of course, I assume looks at the matter entirely through British glasses. I am also informed he is an Englishman, not an American at all, and it is very natural that he would indulge in an article of this kind in the interest of his own country. It is perfectly natural for an Englishman to hope to have the naval disarmament agreement, by which the American Navy was sunk in 1922, enlarged. It is perfectly natural that they would want to continue in control of the seas and without greater expense to Great Britain. I realize that any subject of Great Britain has a right to take such views of these matters as he pleases, but I think that before sending the article to American papers and having it published by American papers Mr. Lewis in fairness should have indicated his nationality and his employment by a London paper.

In this connection, Mr. President, I also have an article written by Mr. Geoffrey Drage in the London Times recently on the subject of the forthcoming naval parity. I ask unanimous consent that it may be printed in the RECORD also.

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A BRITISH VIEWPOINT

By Geoffrey Drage, in the London Times

Naval parity is part of and depends on a policy in which the United States is to join with us. In this regard it is well to recollect the words written by President Roosevelt at the height of his power:

"It would be well-nigh impossible, if it were not undesirable, for this country [the United States] to engage with another to carry out any policy save one which had become part of the inherited tradition of the country like the Monroe doctrine. Not merely could I, for instance, only make such an engagement for four years, but I would have to reckon with a possible overthrow in Congress, with the temper of the people, with many different conditions."

The text of the official joint statement of Mr. Hoover and Mr. MacDonald states that "Both our Governments resolve to accept . . . a positive obligation to direct our national policy" in accordance with the pledge of the Kellogg pact. Those, however, who have read the debates in the Senate on the Kellogg pact will remember the extreme nervousness displayed when it came to obligations. All the speakers wished to be sure they were not committed to any obligation whatever. But that is precisely the one thing needful if England is to reduce her navy so that she can no longer protect her commerce by which she lives. What is required is a definite hard-and-fast guaranty that the United States will join in the protection of our trade and abstain from trading with our enemies. As a distinguished admiral has said, nothing short of this is of any use to us.

The reason why parity is desired and the cause of the trouble between us at Geneva (apart from the activities of Mr. Shearer, which are sub judice) may be fairly summed up in the cant and misleading phrase "the freedom of the seas." The seas are, of course, perfectly free in peace time. In time of war it is suggested that when two powers are at war the belligerents should give up at sea the right they always exercise on land to prevent as far as possible supplies being procured from neutral powers. This freedom, as a recent United States historian has pointed out, the United States when at war has consistently violated, while she has vigorously asserted it when neutral.

For this trouble there is an obvious remedy when wars come, as, of course, they will if human nature remains the same, and that is to distinguish between normal and abnormal trade and to institute a system of rationing and certification with an organization and control like that of the Netherlands Overseas Trust in the Great War. Would the United States assent to this? If so, it would be a step in the right direction. Failing such a step, we must bear in mind the concluding words of Admiral Mahan in an article on Anglo-American reunion:

"It is a fair deduction from analogy that two contending armies might as well agree to respect each other's communications as two belligerent states to guarantee immunity to hostile commerce."

In conclusion, it is submitted that the above elementary but unpalatable facts have got to be faced and that no remedy will be found in armchair resolutions passed at a conference by a majority of neutral states who are not prepared to take any share in carrying them out. We have only to recollect The Hague convention before the war and the fact that not one of the signatories, including the principal neutral nation (the United States) used even the moral influence of a protest against the repeated violations of its terms. (Cp. Sir Cecil Spring-Rice Letters, Vol. II, pp. 240-244.)

We, at any rate, are responsible under Providence for the peace and prosperity of a quarter of the human race, for which the fleet is the principal guaranty. For that reason, if for no other, we are entitled to examine the proposals outlined in the Times of September 17 and October 11 and 12 with the greatest care.

Mr. McKELLAR. Mr. President, it will be noted that this article is labeled "A British Viewpoint," and I hope that hereafter Mr. Lewis, in writing articles for American newspapers, will indicate his nationality as Mr. Drage has done. The Drage article is important, especially in one respect. Mr. Drage says:

What is required is a definite hard-and-fast guaranty that the United States will join in the protection of our trade and abstain from trading with our enemies. As a distinguished admiral has said, nothing short of this is any use to us.

Thus we see, Mr. President, the true wishes of our neighbor, Great Britain, in this matter gradually coming to light.

In this connection I also ask that an editorial on the United States Navy, of October 28, 1929, in the Washington Post, be inserted as part of my remarks, as well as an editorial on our Navy in the Chattanooga Times, of date October 28, 1929, and other articles which I send to the desk.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From The Washington Post, Monday, October 28, 1929]

THE UNITED STATES NAVY

Navy Day, October 27, has a special import to the people of the United States this year, and it is, indeed, appropriate that the seventy-first anniversary of the birth of Theodore Roosevelt should be observed throughout the Nation at the same time.

The Rooseveltian brand of peace, backed by the power of America to maintain it, represents an attitude of national defense and security preparedness which will never be willingly forsaken by the people of this country. The United States Navy stands as the chief reliance of the American people, and the main assurance against aggressions that provoke war.

There never has been a time in this Nation's history when the United States Navy meant more to the people than it does now. There has never been a time when more dangerous pacifist propaganda has been directed against the Navy by misguided dupes and cunning foreign internationalists, who are shrouding their operations in the white cloak of idealism and world peace.

The drive against American naval power is directly in line with the lessons which come down through the centuries. Sea power and commercial supremacy go hand in hand, and a weakening of one means the weakening of the other. America is rapidly rising to a position of commercial supremacy, despite all that foreign competitors can do to check her. A Navy adequate to protect and defend American commerce is the only agency that can maintain the United States in its rightful position among the nations of the world.

America's colossal and ever-increasing economic energy is expressing itself in overseas trade, which means commercial supremacy. It is idle for any nation or nations to attempt to stem the tide. But every statesman who has not been blind to history knows that commercial supremacy is dependent upon naval protection. If America can be duped into abandoning protection for its commerce on the high seas, or can be tricked into pooling its naval resources with other powers, there may be a real opportunity in the near future for crippling the commerce that is enriching America and arousing the envy of foreign rivals.

"The fleet's the thing," according to one of Theodore Roosevelt's slogans, and it applies with more force than ever to-day. Americans are not ready to accept the humiliation of seeing the seas controlled by foreign powers so that America's commerce must beg for permission to venture offshore.

Adequate naval security means protection for American commerce, and this in turn means that the United States will not be forced into war to maintain its rights. The American negotiators at the London naval conference, if there should be a conference, must keep before them the faithful promise of President Hoover to the people, to the effect that the national defense shall not be impaired by any agreement bearing the signature of America's negotiators.

[From the Chattanooga Times, October 28, 1929]

REMEMBER THE NAVY

This is Navy day, and the occasion should be widely and appropriately observed. This suggestion, and even the day itself, may at first thought seem somewhat out of place, in view of the fact that the principal nations of the world are preparing for a naval armament reduction conference, for the calling of which the United States is in large part responsible. But a little reflection ought to convince reasonable, practical citizens that the approaching conference gives this year's Navy day greater significance than it would ordinarily have.

Common sense dictates that America's representatives go to the London conference backed up by a practical, reasoned public attitude on the subject of naval armaments rather than by a hysterical demand for disarmament. The latter would accomplish nothing in the present state of world opinion, while the former might result in much good. The obviously sound program for this country is that expressed at the Washington arms conference in the following words: "We approve limitation of armaments by international agreements. We repudiate the reduction of armaments by example as unwise and dangerous."

This is understood to be the attitude of the Government at Washington. Together with the idea of parity, it should be supported wholeheartedly. It is in no sense a repudiation of the idealism of the Kellogg antiwar treaties or of the assumptions of President Hoover and Premier MacDonald that there will never be another war between the United States and Great Britain. It is the basis of a practical program for the incorporation of this idealism in the lives of nations, which should be more easily effected by reason of the treaties and assumptions.

So a proper observance of Navy day is entirely in order. Considering all the circumstances, it is even incumbent upon the American people, if they would look to their own best interests. Acquisition of a fuller understanding of the purposes of their Navy and its meaning to the Nation would be a protection against the folly of those who advocate disarmament by example and should also further the cause of naval reduction by international agreement.

[By cable to the Star, November 5, 1929]

PEACE "DAMPER" EXPLAINED—SUDDEN ACTION OF BRITISH CABINET IS REVEALED FOR FIRST TIME

By Paul Scott Mowrer

PARIS, November 5.—It is now possible to reveal, owing to a partial indiscretion of the Echo de Paris, what heretofore has been a strict

secret known only to a few diplomats and one or two journalists—the story of the British Cabinet meeting which put a sudden damper on the supposed results of the conversations between President Hoover and Premier Ramsay MacDonald at Rapidan.

It will be recalled that an announcement was made at the close of those meetings that an important statement was about to be made. British journalists went so far as to announce that this statement would concern the freedom of the seas. It is certain, in fact, that Hoover and MacDonald had reached a tentative agreement on this vexed question. The exact details are unknown, for MacDonald will not give a detailed explanation to his cabinet until to-morrow.

GREAT BRITAIN'S OFFER

But whatever the American contribution to the bargain may have been, it appears that Great Britain's offer was to abandon the right of search and seizure of neutral vessels carrying contraband on the high seas and to dismantle naval bases not only in the West Indies, but at Halifax and Esquimalt.

Before issuing the joint statement, however, MacDonald thought it best to inform London.

A full cabinet meeting was immediately called, including the heads of the three fighting arms, on air, land, and sea.

Arthur Henderson read the Premier's cablegram and added that he would be unable to agree to abandon the right to search and seizure until he knew more details of the views of the United States.

Alexander, speaking for the Admiralty, said that he was unable to agree to the dismantling of the bases which, in his opinion, if the Kellogg pact meant anything, would be quite unnecessary.

BIG NAVAL BUDGET

Questioned by Philip Snowden, Chancellor of the Exchequer, Alexander said that even after the agreement with the United States the naval budget, now about \$280,000,000, would still be around \$265,000,000 or \$270,000,000.

After this discussion it was decided to cable MacDonald to say nothing about these matters until after he returned to London and gave the cabinet fuller particulars.

Thus is explained not only the delay in issuing the Hoover and MacDonald joint statement, but the general surprise, after so much was promised, that it should contain so little in the way of concrete promises.

RECESS

Mr. JONES. I move that the Senate take a recess until 10 o'clock to-morrow morning.

The motion was agreed to; and the Senate (at 5 o'clock and 50 minutes p. m.) took a recess until to-morrow, Wednesday, November 6, 1929, at 10 o'clock a. m.

SENATE

WEDNESDAY, November 6, 1929

(Legislative day of Wednesday, October 30, 1929)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fess	Johnson	Schall
Ashurst	Fletcher	Jones	Sheppard
Barkley	Frazier	Kean	Shortridge
Bingham	George	Kendrick	Simmons
Black	Gillett	Keyes	Smith
Blaine	Glass	La Follette	Smoot
Blease	Glenn	McKellar	Steck
Borah	Goff	McNary	Stelwer
Bratton	Goldsborough	Metcalf	Stephens
Brock	Gould	Moses	Swanson
Brookhart	Greene	Norbeck	Thomas, Idaho
Broussard	Hale	Norris	Thomas, Okla.
Capper	Harris	Nye	Townsend
Connally	Harrison	Oddie	Trammell
Copeland	Hastings	Overman	Tydings
Couzens	Hatfield	Patterson	Vandenberg
Cutting	Hawes	Phipps	Wagner
Dale	Hayden	Pine	Walcott
Deneen	Hebert	Ransdell	Walsh, Mass.
Dill	Heflin	Reed	Waterman
Edge	Howell	Sackett	Wheeler

Mr. NORBECK. I wish to state that the junior Senator from South Dakota [Mr. McMASTER] is unavoidably detained by illness in his family. I wish this announcement to stand for the day.

Mr. SHEPPARD. I wish to announce the unavoidable absence of the junior Senator from Utah [Mr. KING], due to illness. I also wish to state that the Senator from Arkansas [Mr. CARAWAY] and the Senator from Montana [Mr. WALSH] are absent on official business.